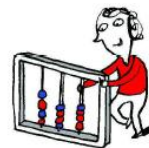
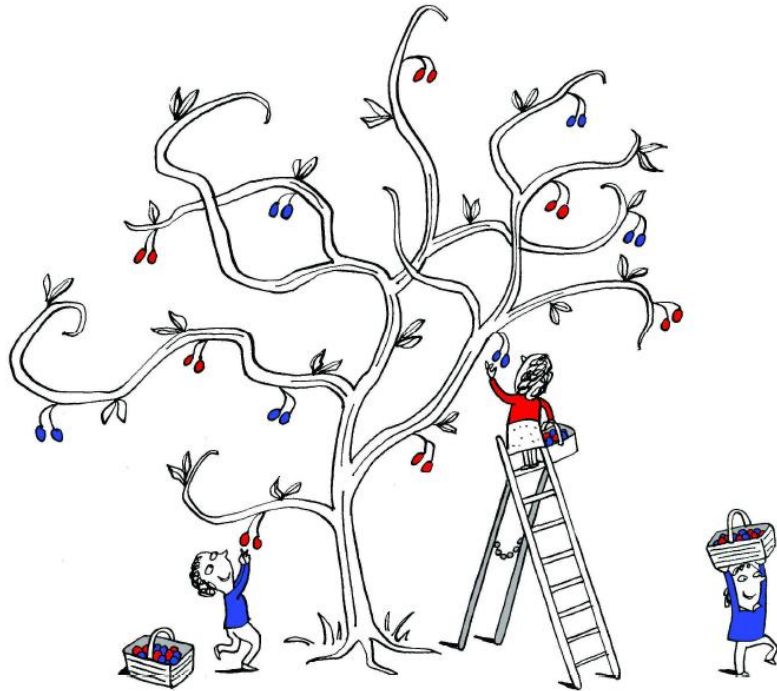


ICT usage among business customers

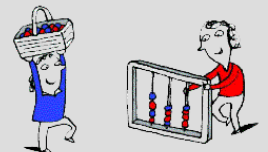
November 2011



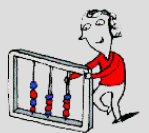
Commission for
Communications Regulation

Agenda

- Context
- Main Findings
 - ICT Usage
 - Switching
 - Service Costs and the Recession
 - Service Providers
 - Internet and Broadband
 - Contact with ComReg and complaints
- Conclusions



Context



Research Objectives



Commission for
Communications Regulation

**Research
Requirements**



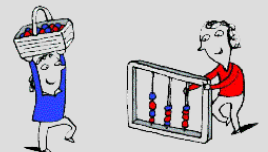
A telephone survey among business consumers to examine access to, usage of and attitudes towards communications services and technologies such as fixed line telephony, mobile phones, broadband access and pay TV

In order to



Track key trends and developments and provide ComReg with enhanced market understanding to use in future planning and regulatory policy formulation and public dissemination

Continuation of a tracking survey commissioned annually by ComReg



In more detail



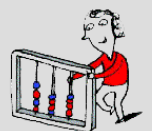
Understanding access to and usage of Information and Communication Technologies (ICT)

On-going tracking – Telephone interviews among 500 SMEs

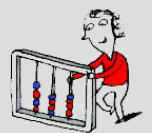
Up to 250 employees

Quotas: No of employees, Region, Sector
**Respondent is person responsible for decision
making re ICT**

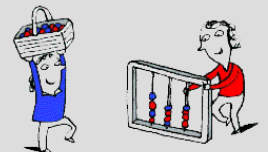
Data weighted to provide accurate reflection of population



Main findings



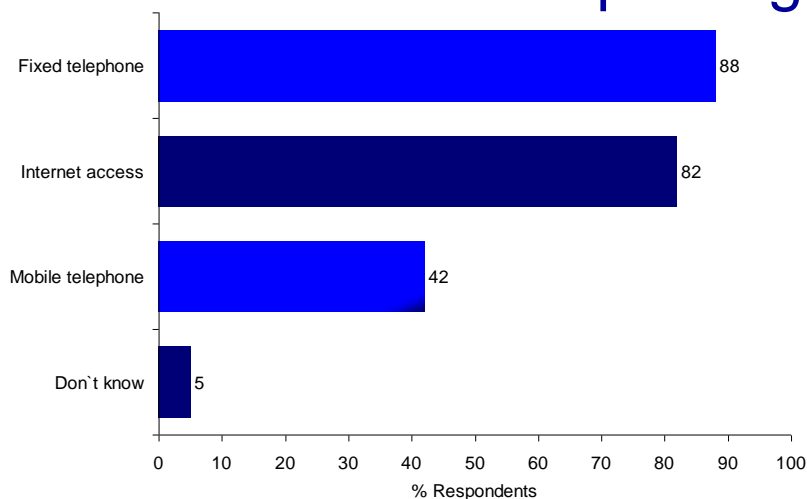
ICT Usage



SME ICT Usage



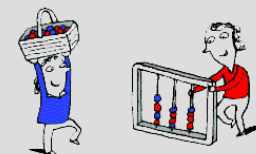
- Usage of fixed line phones and the internet is almost universal (98% for each)
 - 94% have broadband
- 80% of businesses have mobile phone services
- 58% have a bundled package



Majority of bundles include fixed line phone and internet
53% fixed line + internet
30% fixed line + internet + mobile
7% fixed line + mobile
3% internet + mobile

Inclusion of a mobile telephone in a bundled package increases notably with company size

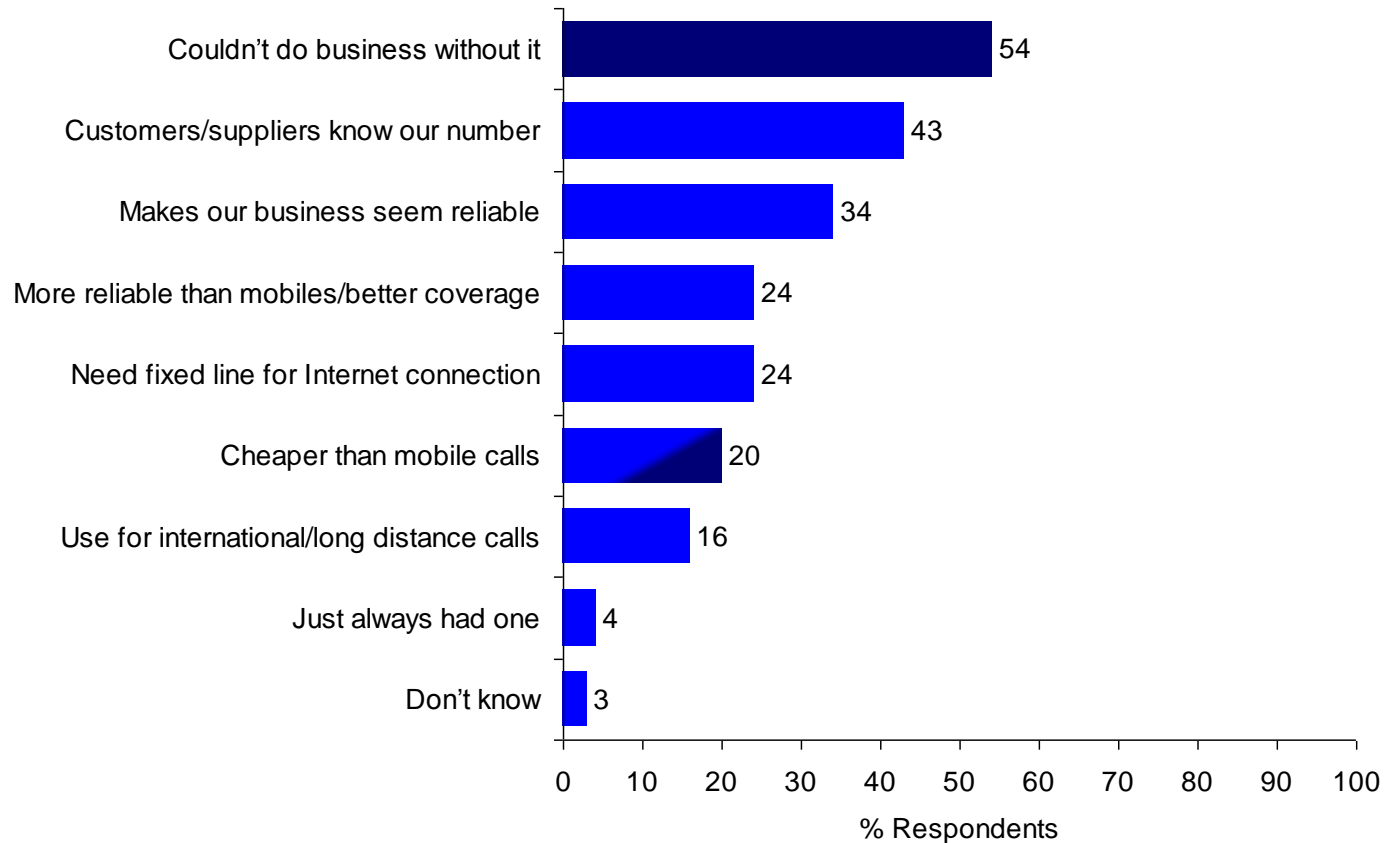
Base: All businesses (500); businesses with a bundled package (291)
Q5 Firstly please could you tell me which of the following services your company has?
Q5a Does your business subscribe to a bundled package from your telecoms service provider?
Q5b Which of the following services are included in your bundled package?



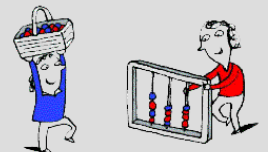
Reasons for having a fixed line phone



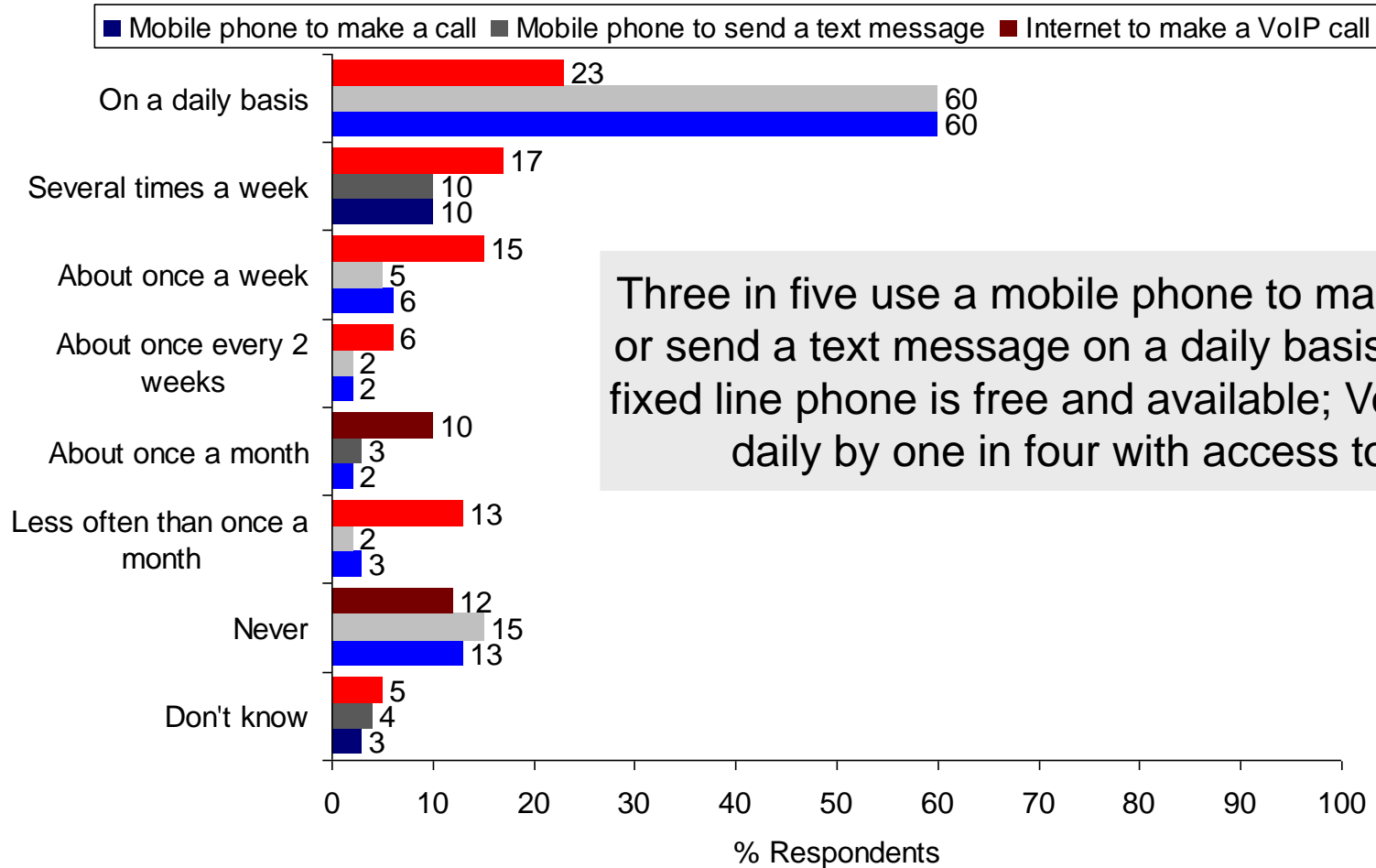
Half of companies are dependent on their fixed line to do business



Base: Those businesses with a fixed line (492)
Q12 Why does your company have a fixed line?

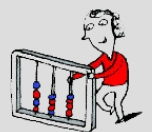


Frequency of employees using other options when fixed line phone is free and available for use

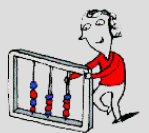
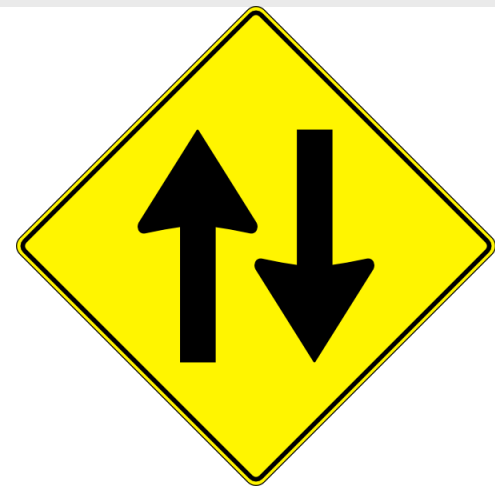


Three in five use a mobile phone to make a call or send a text message on a daily basis when a fixed line phone is free and available; VoIP used daily by one in four with access to it

Base: Those with both a mobile and fixed line/VoIP and fixed line (396/81)
 Q17a How often do your employees use a mobile phone to make a call/send a text message/use the internet to make a VoIP call when a fixed line phone is free and available for use?



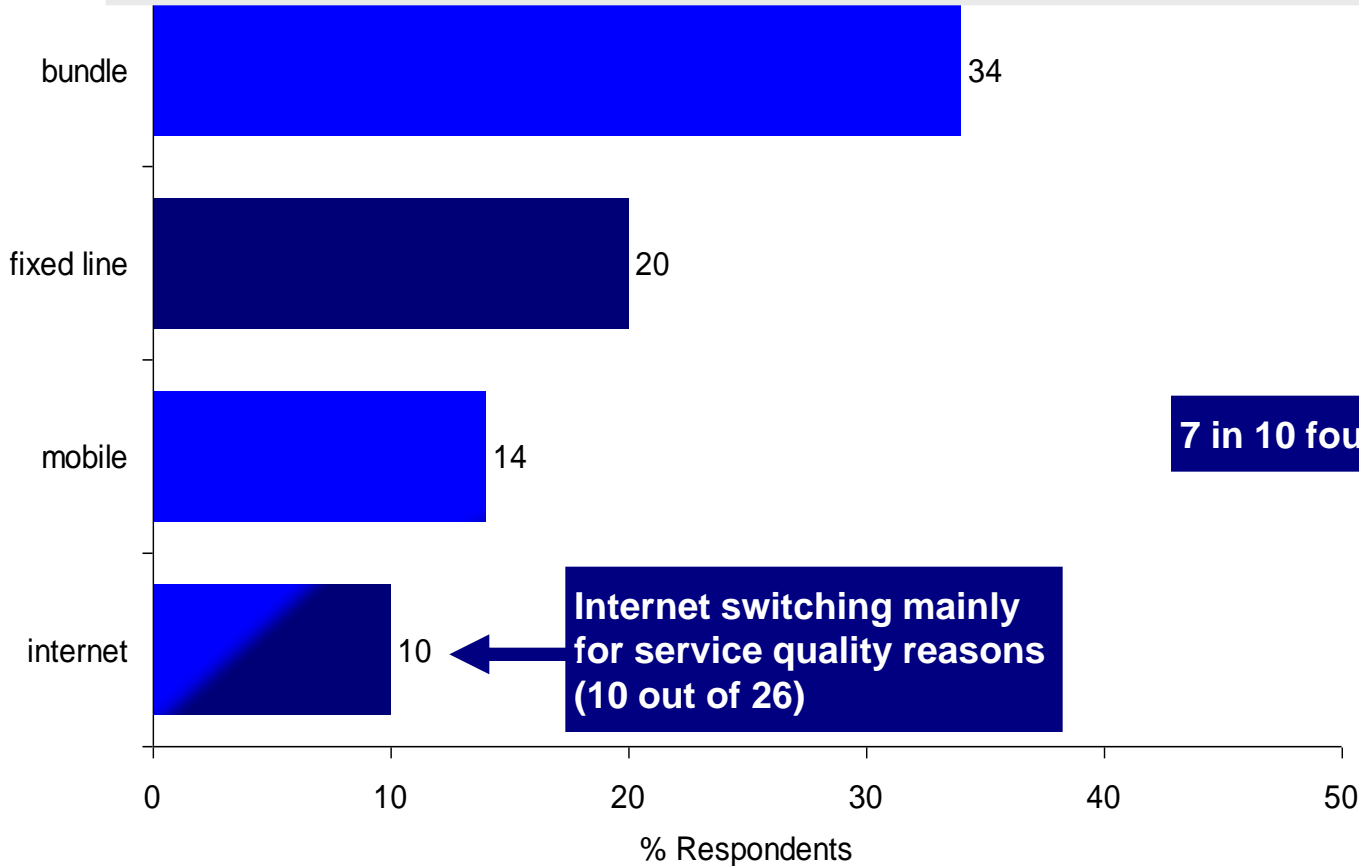
Switching



Whether switched supplier in the last 12 months

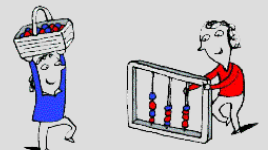


A third of businesses have switched bundle supplier in last 12 months



Base: all respondents who have relevant service (bundle 291/fixed line 235/mobile 287/ internet 251)

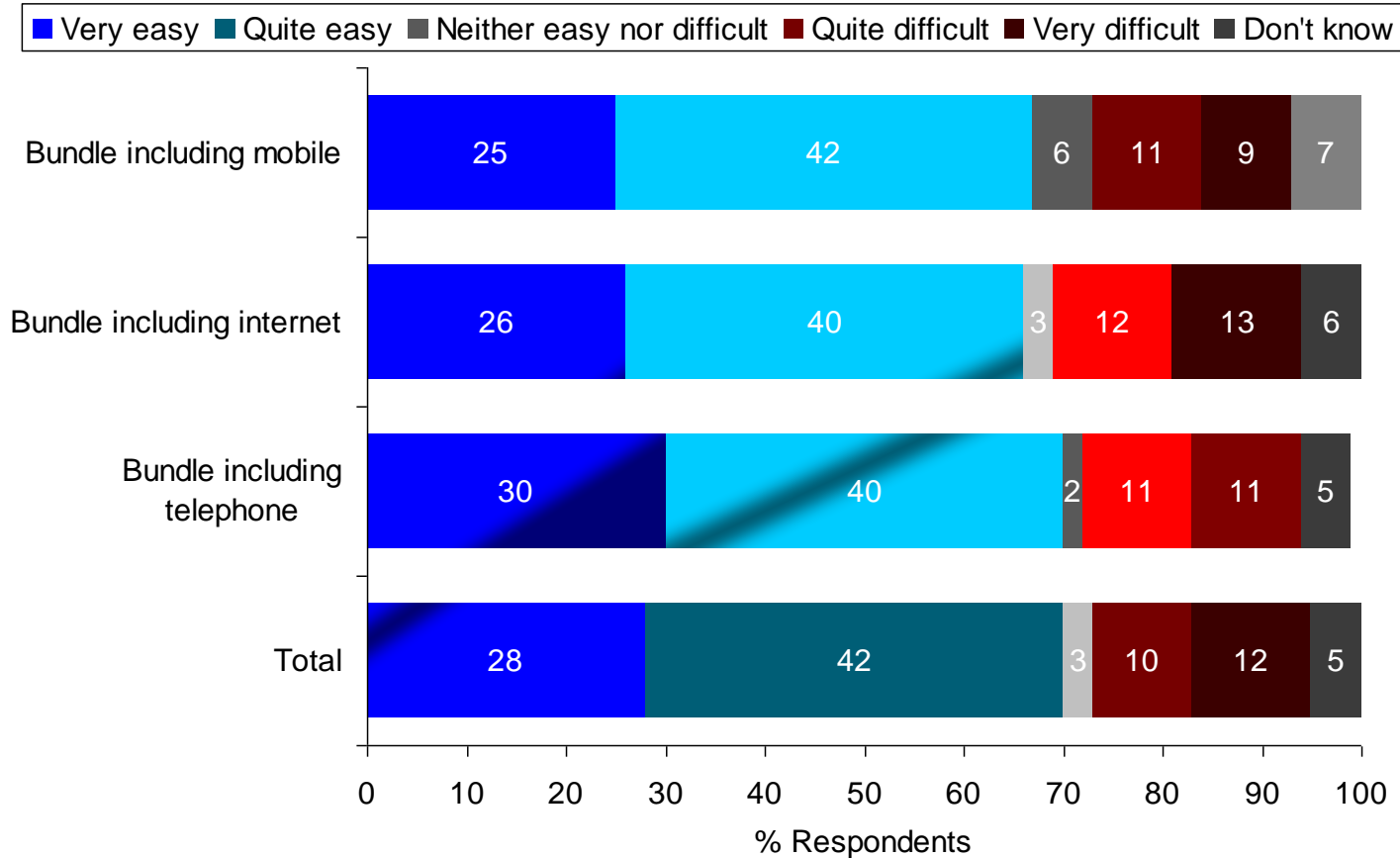
Q Have you switched your supplier for your bundled services/fixed line/mobile/internet in the last 12 months?



Ease of switching bundled supplier



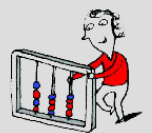
Seven in ten businesses found the switching process easy



Base: all respondents who have switched supplier for their bundled package in the last 12 months (100)/including mobile (57)/including internet (82)/including telephone (92)

Q5e: Was the process of switching bundled supplier....?

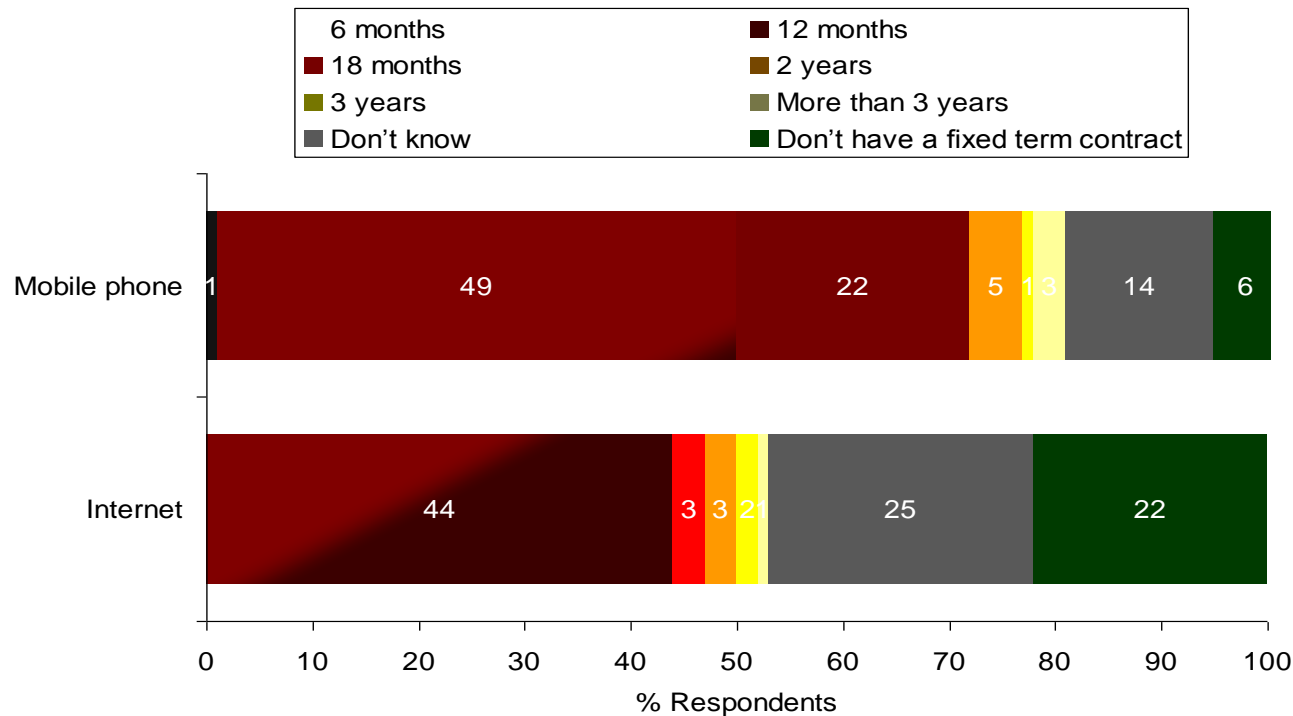
slide 13



Length of contract and awareness of terms and conditions for early termination



Businesses more likely to have fixed term contract than consumers



Not aware of t&c's for cancellation

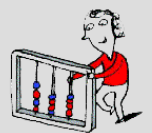
32%

45%

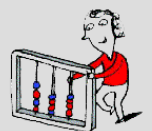
Base: Those with a mobile (402)/internet (489)

Q32 What is the length of contract you have with your mobile/fixed line/internet provider?

Q33 Are you aware of the terms and conditions relating to early termination of your contract? 14



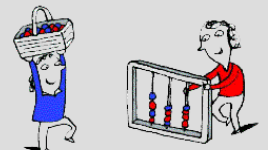
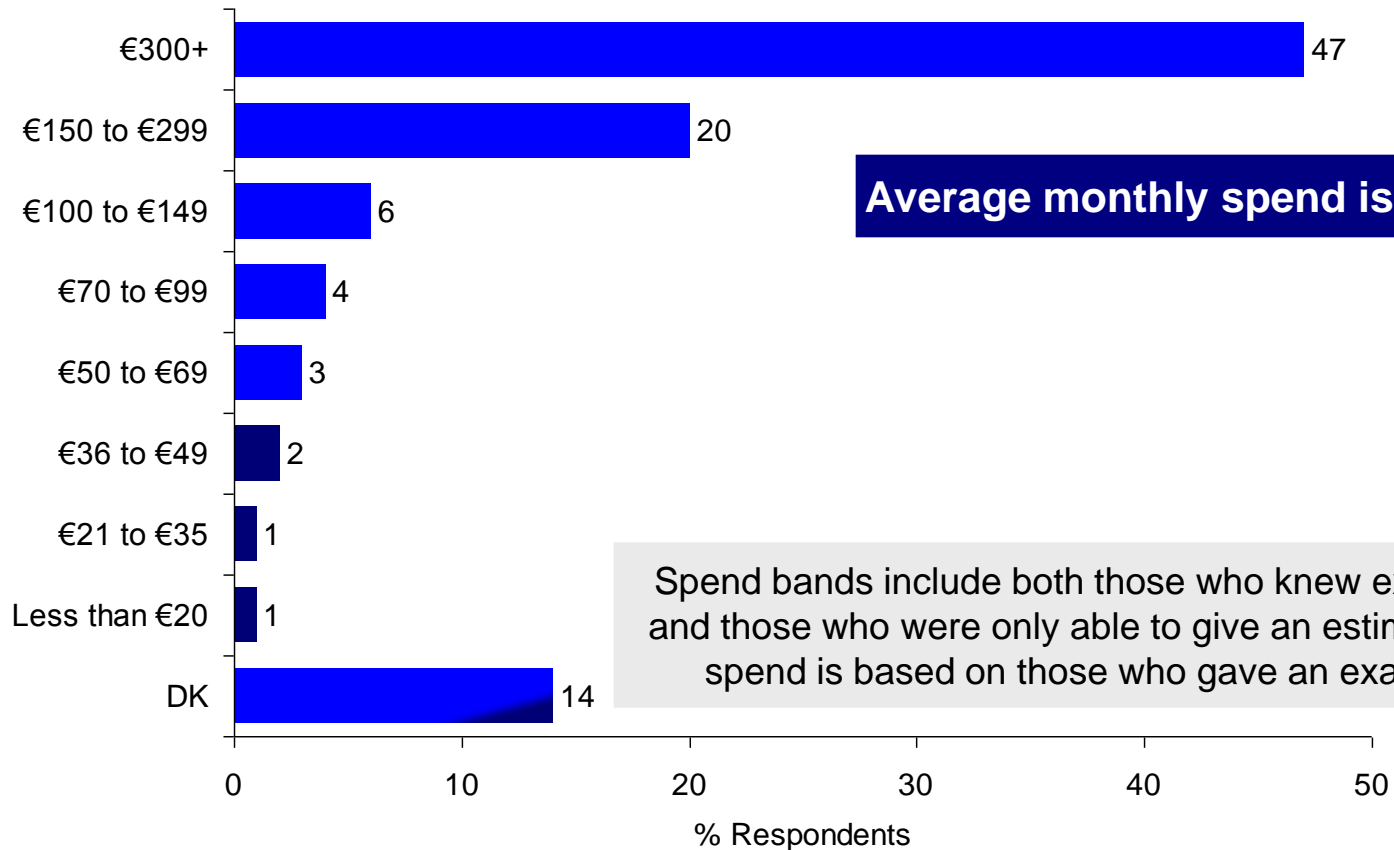
Service costs & the recession



Monthly spend on fixed line service



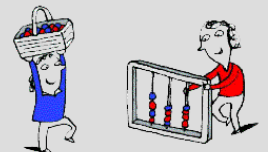
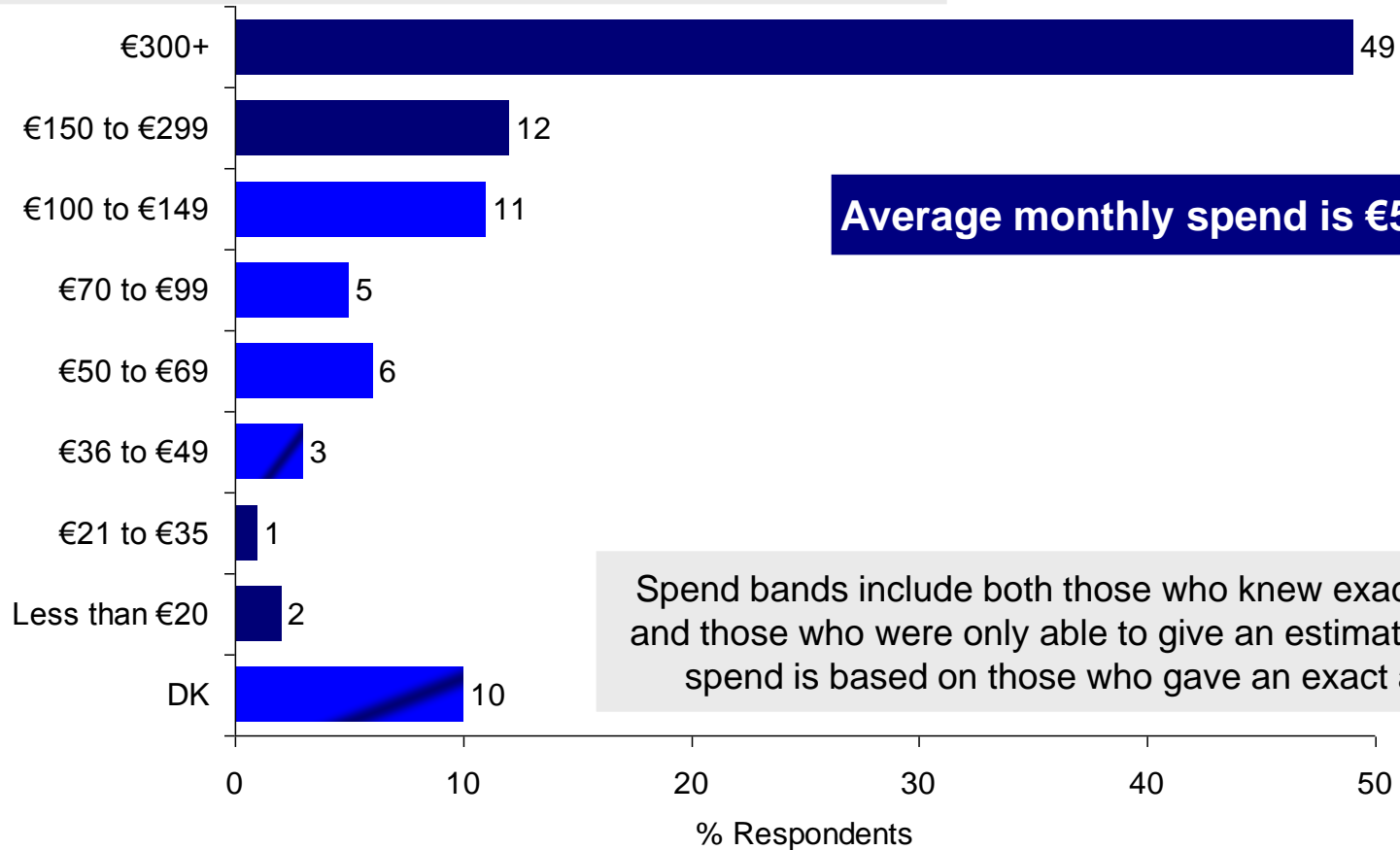
Almost half of businesses spend over €300 per month on fixed line



Monthly spend on mobile services



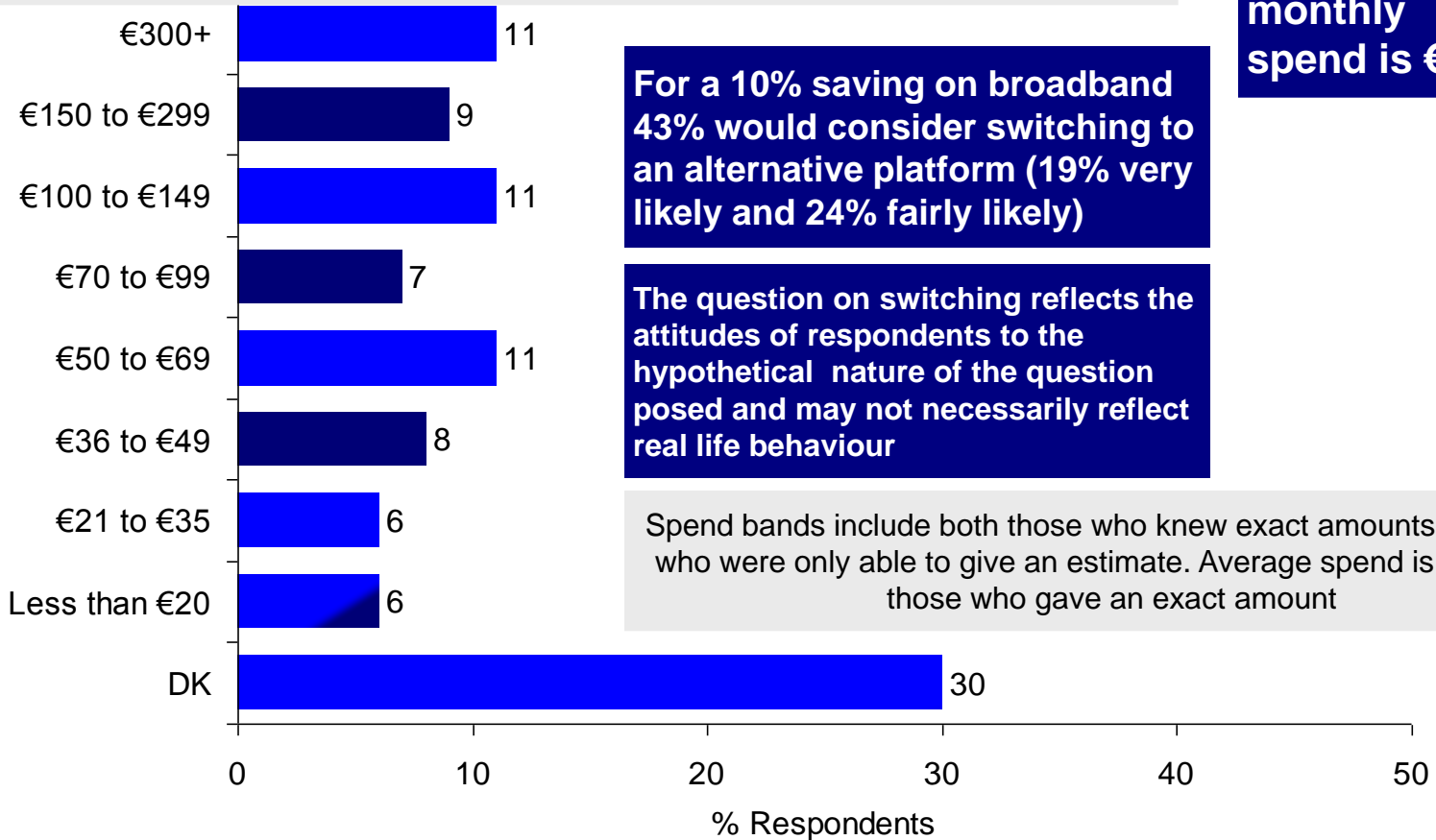
A similar pattern of spend on mobiles



Monthly spend on internet services and whether would switch for 10% saving



Lack of awareness of internet costs among businesses



Average monthly spend is €167

For a 10% saving on broadband 43% would consider switching to an alternative platform (19% very likely and 24% fairly likely)

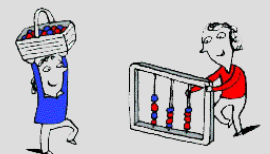
The question on switching reflects the attitudes of respondents to the hypothetical nature of the question posed and may not necessarily reflect real life behaviour

Spend bands include both those who knew exact amounts and those who were only able to give an estimate. Average spend is based on those who gave an exact amount

Base: All businesses with internet access (489)

Q61 Approximately how much would you estimate you spend each month on your broadband service (inc VAT)?

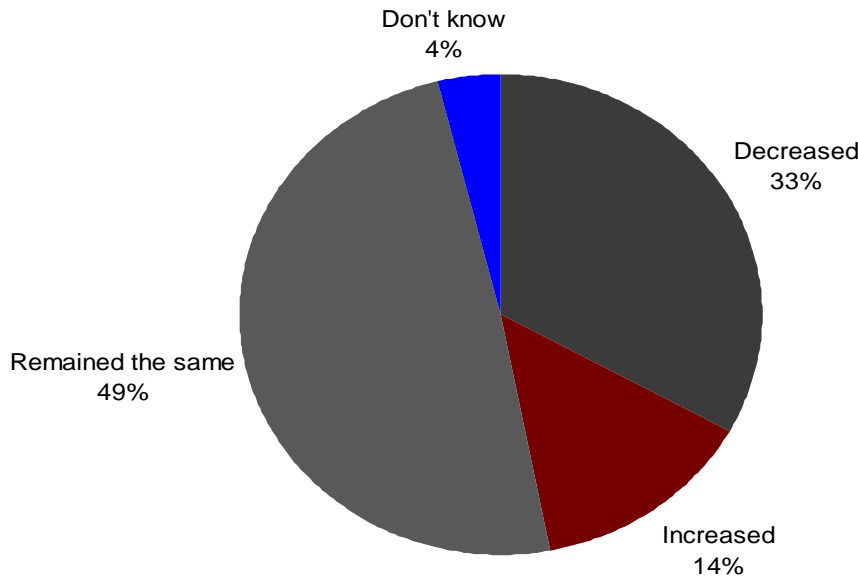
Q61a If you could make a 10% saving on your broadband bill by switching to an alternative broadband platform to what you currently use, how likely would you be to consider switching?



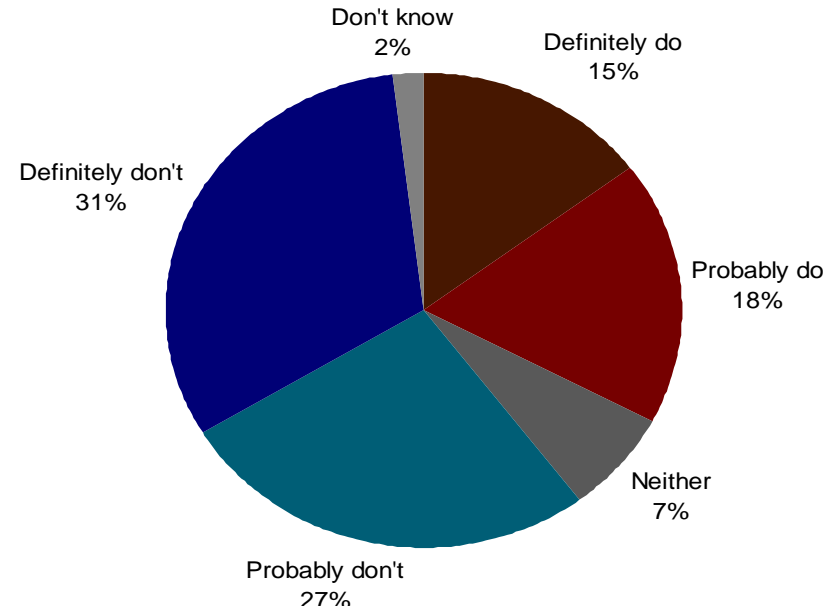
Whether ICT costs have changed in last 12 months and whether reduction foreseen in coming 12 months



A third of businesses have seen a decrease in telecoms costs; similar proportion see reduction ahead



Telecoms costs last 12 months

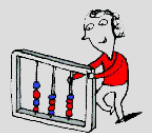


Whether foresee reduction in ICT spend next 12 months

Base: All businesses (500)

Q63b In your opinion, over the last 12 months have your company's overall telecommunication costs increased, decreased, remained the same?

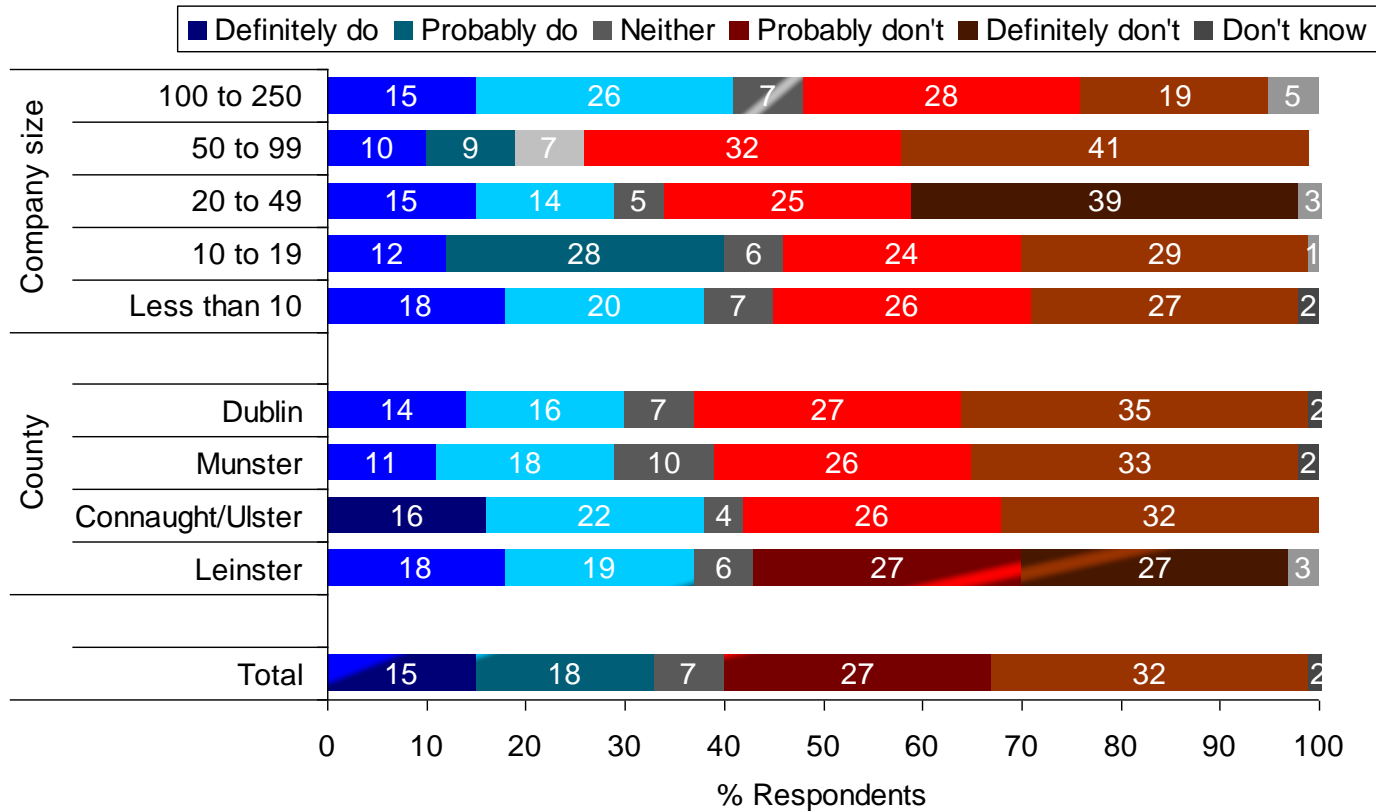
Q63a Given the downturn in the Irish economy, do you foresee a reduction in your spend on ICT in the next 12 months?



Whether foresee reduction in ICT spend by company size and county



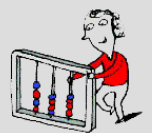
A third of businesses foresee a reduction in ICT in next 12 months



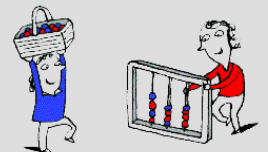
Base: All businesses (500)

Q63a Given the downturn in the Irish economy, do you foresee a reduction in your spend on ICT in the next 12 months?

slide 20



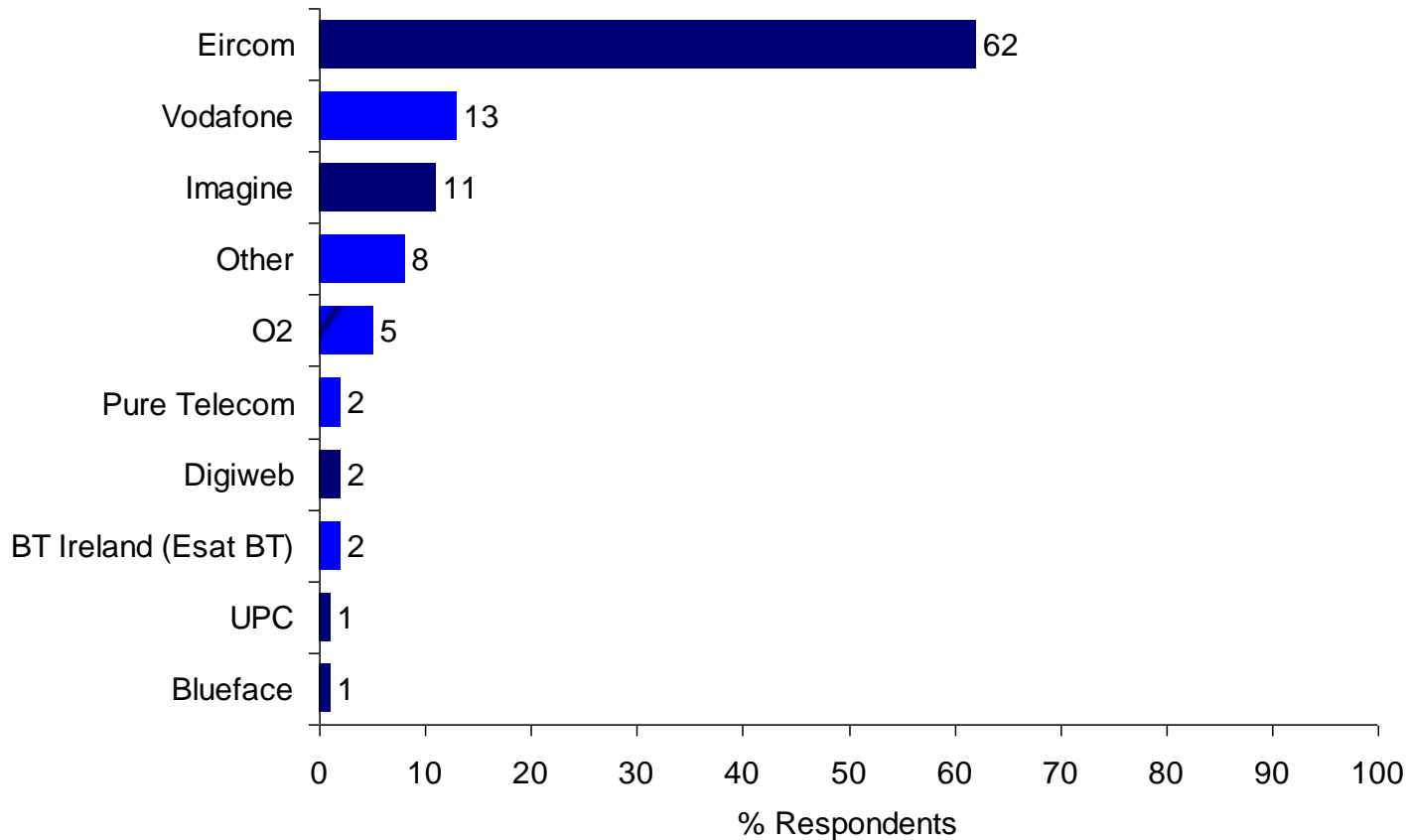
Service Providers



Suppliers for fixed line phone services



Almost two in three businesses have a fixed line provided by Eircom



eIRCOM
imagine!



vodafone

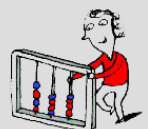


Base: all respondents who have a fixed line (492)

Q5c. Who is your supplier for this bundle?

Q6. Who is the main fixed line phone service provider that your business uses for its voice calls?

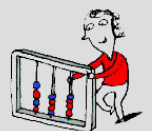
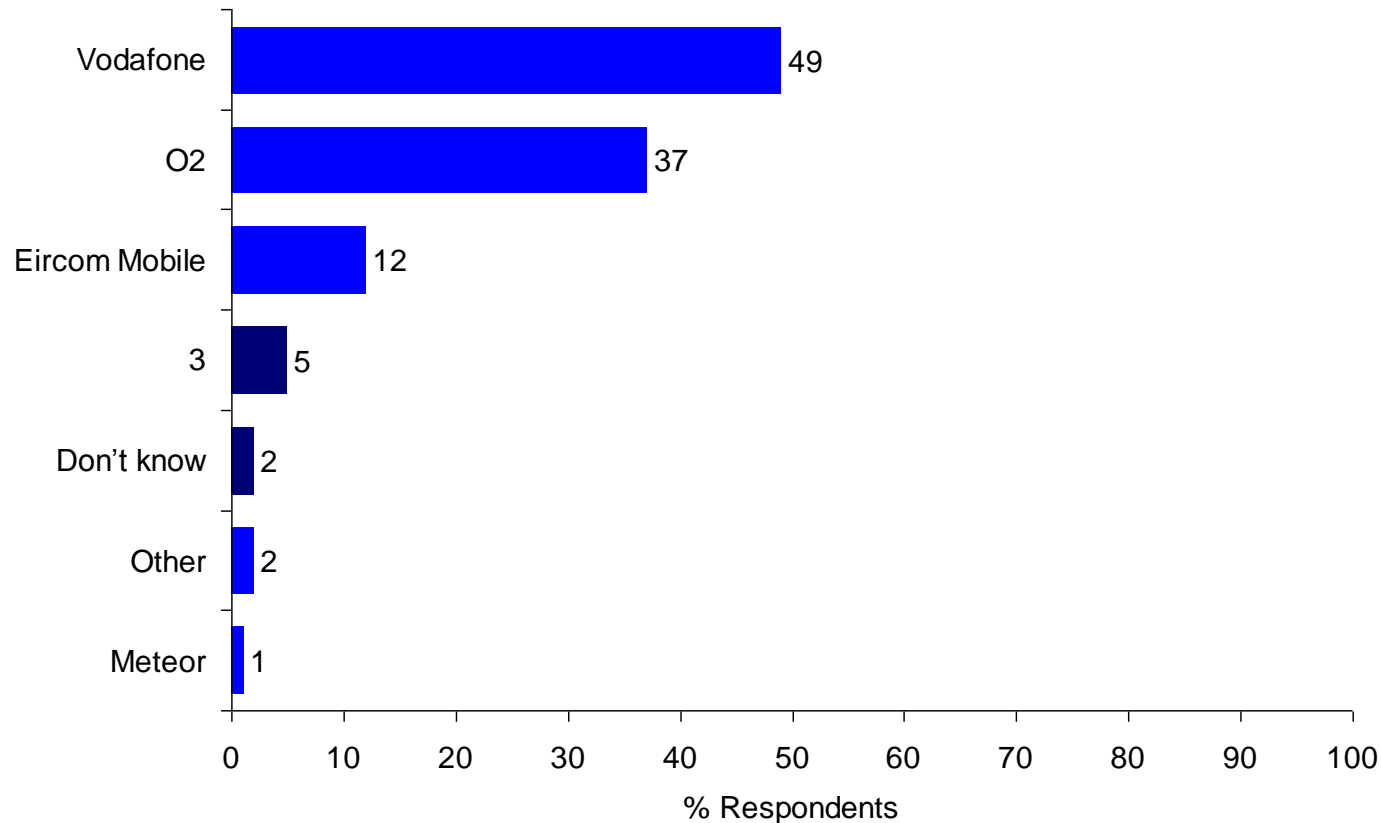
Q7. What other, if any, fixed line service providers does your business use for its voice calls?



Suppliers for mobile phone services



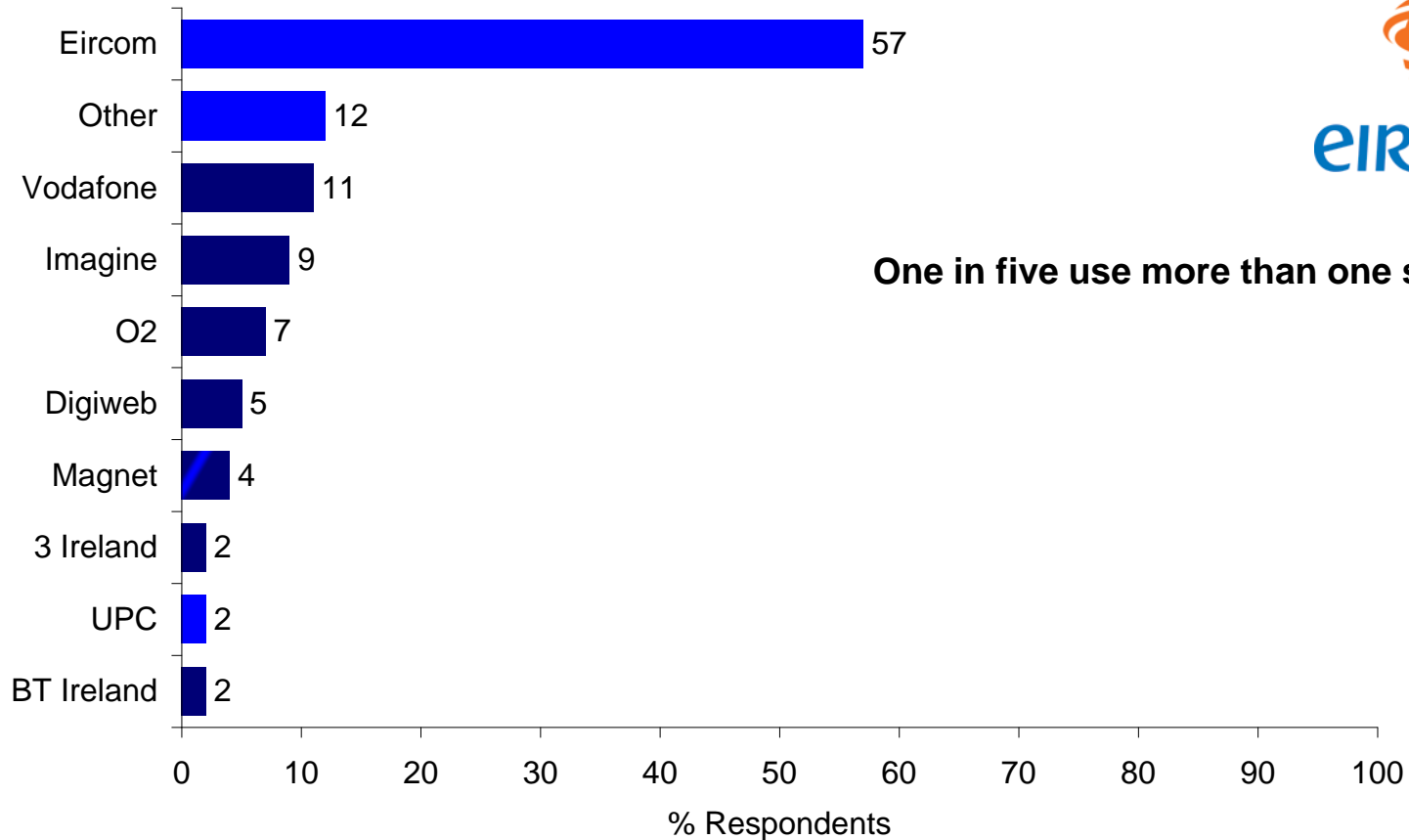
Vodafone has largest share of business mobile market closely followed by O2



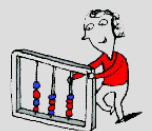
Suppliers for internet services



Eircom is the main supplier of business internet



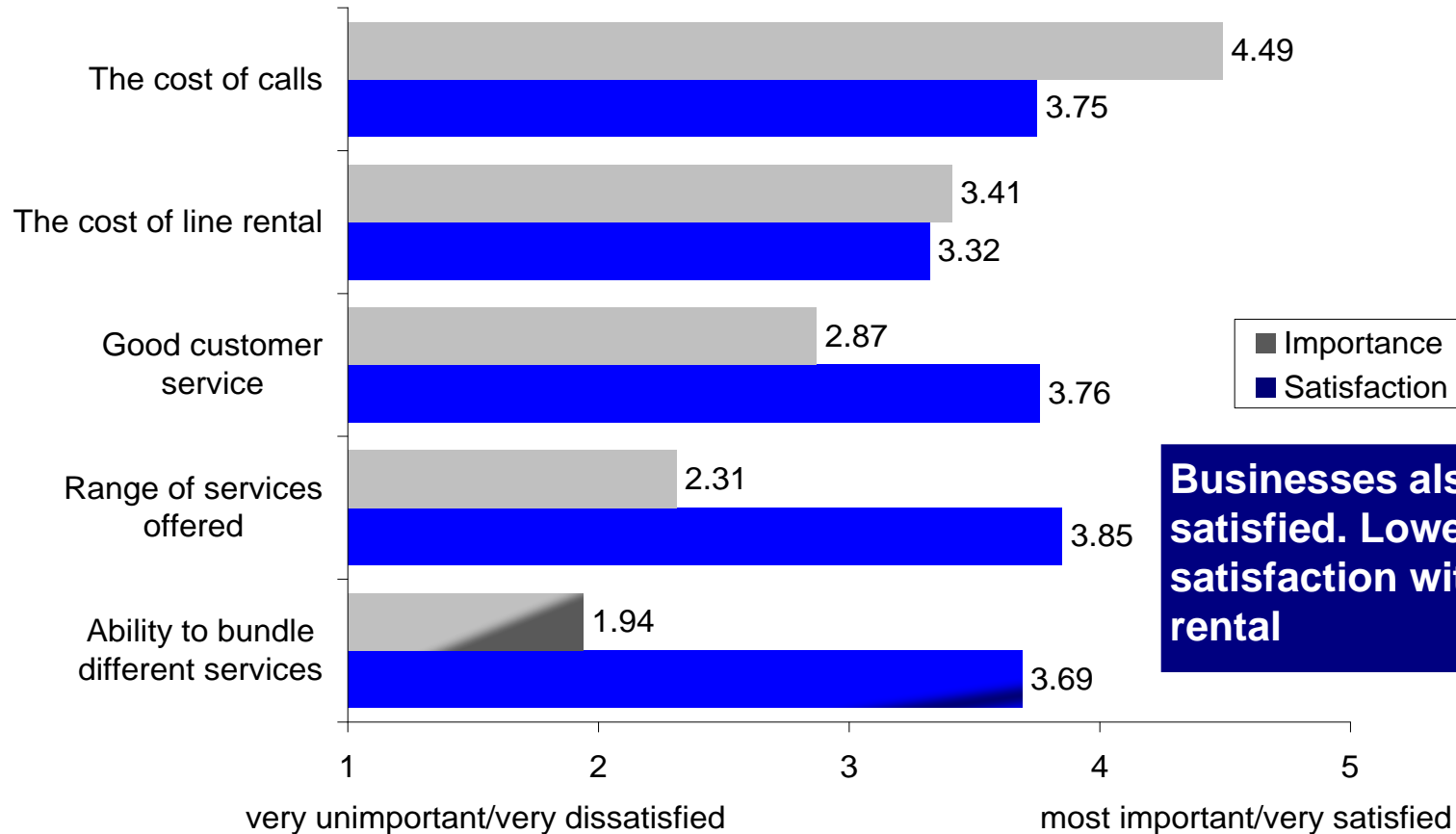
One in five use more than one supplier



Importance of and satisfaction with factors in selecting fixed line provider

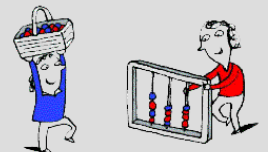


Cost of calls also most important to businesses in choosing fixed line supplier



Businesses also generally satisfied. Lowest satisfaction with cost of line rental

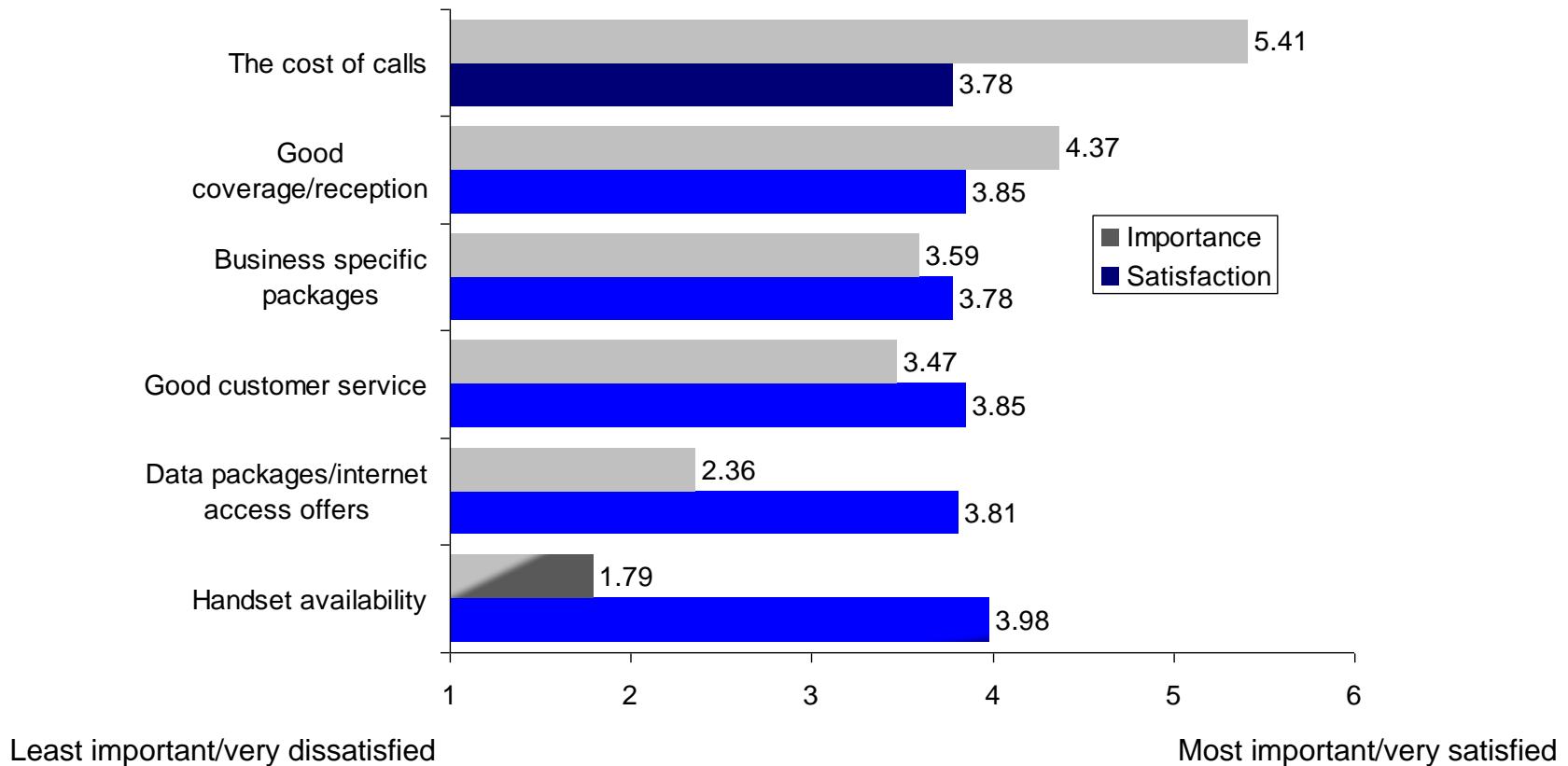
Base: Those businesses with a fixed line (492)
 Q8 How important are the following factors in selected a fixed line phone provider? Q9 How satisfied are you with your fixed line phone provider's service in relation to the following factors?



Importance of and satisfaction with factors in selecting mobile provider



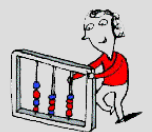
Cost of calls again outweighs other factors for mobile provider choice.
Similar satisfaction across all features



Base: Those with a mobile phone (402)

Q20 How important are the following factors in selecting a mobile phone provider (1-6)?

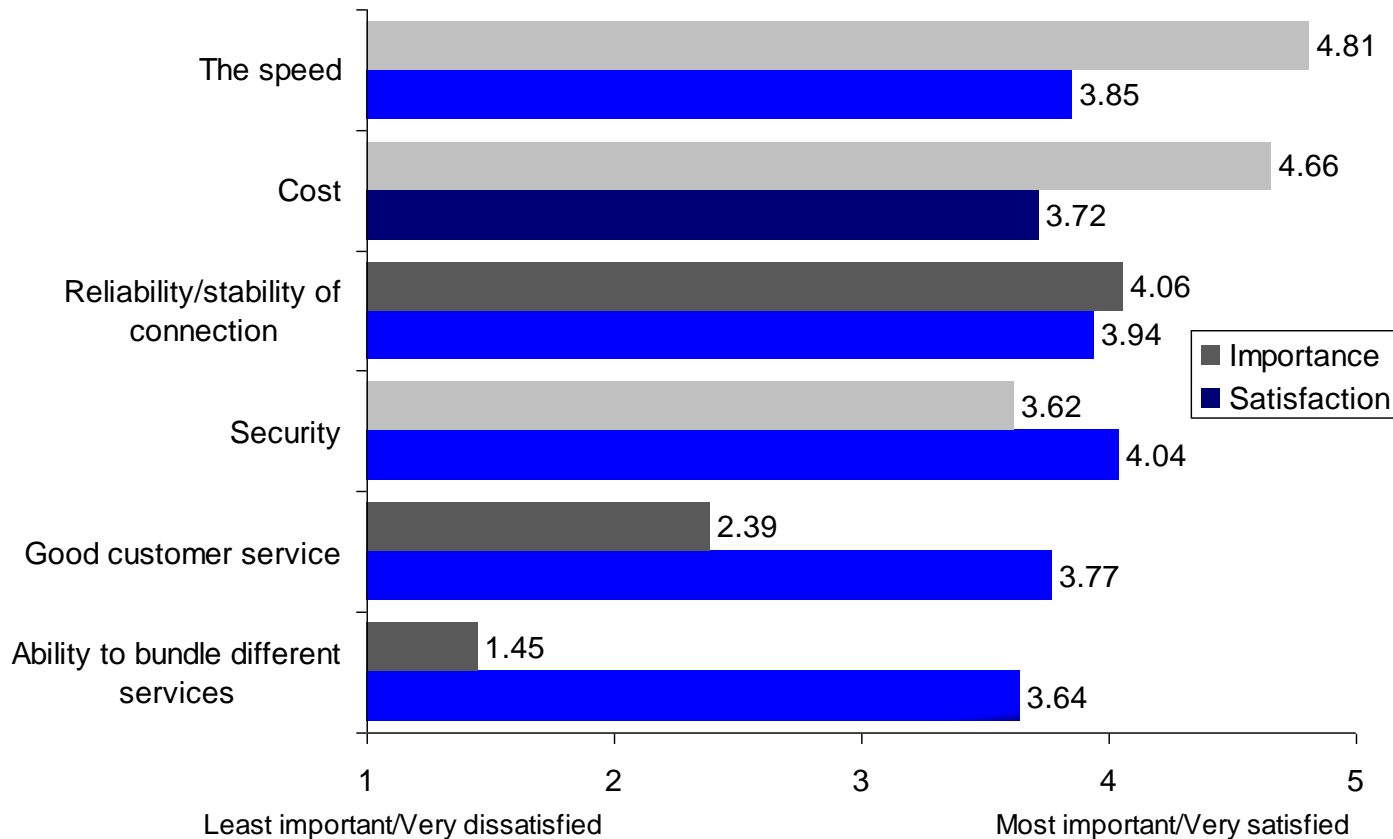
Q21 How satisfied are you with your current mobile phone service provider in relation to the following factors (1-5)?



Importance of and satisfaction with factors in selecting ISP



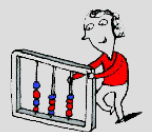
For businesses internet speed is even more important than cost



Base: Those with internet (489)

Q36 How important are the following factors in selecting an ISP for your business (1-6)?

Q37 How satisfied are you with your current ISP in relation to the following factors (1-5)?

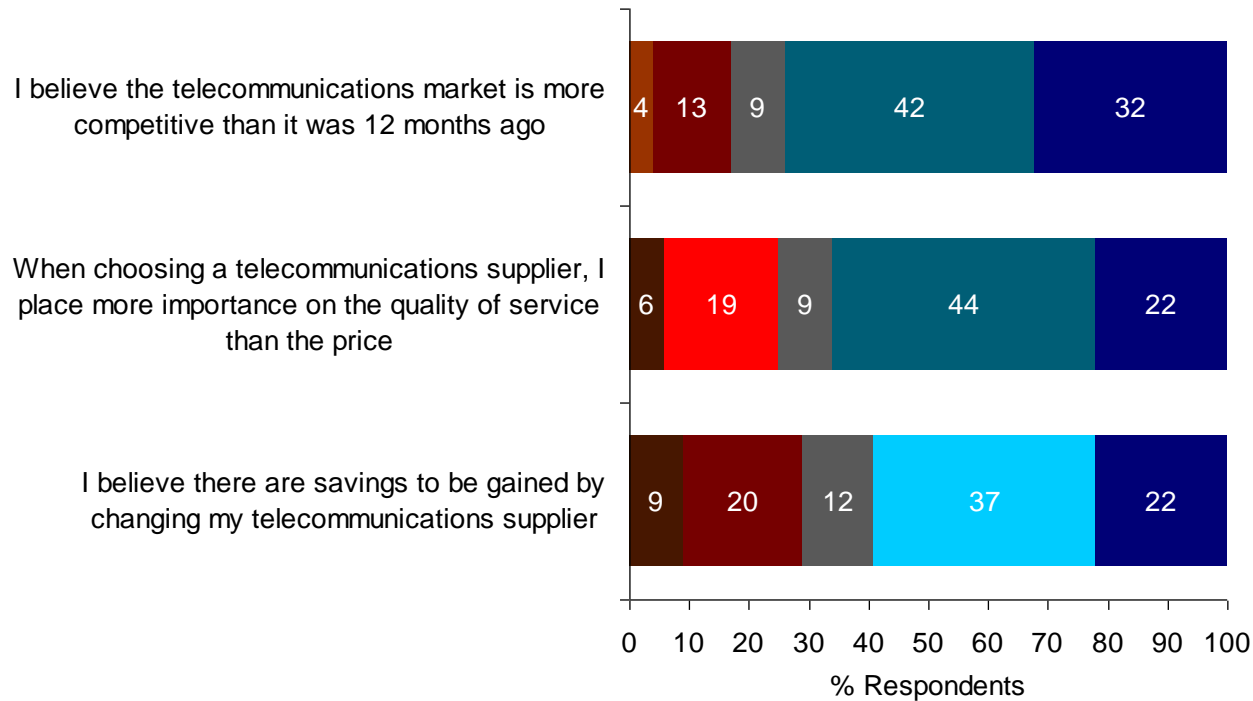


Level of agreement with attitude statements



There is a general perception among businesses that the telecoms market is more competitive

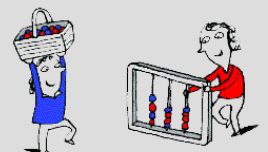
■ Disagree strongly ■ Disagree ■ Don't know ■ Agree ■ Agree strongly



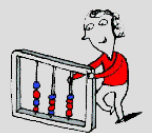
Higher agreement among those whose costs have decreased

Level of agreement increases with monthly spend

67% of those whose costs decreased in last 12 months



The Internet and Broadband

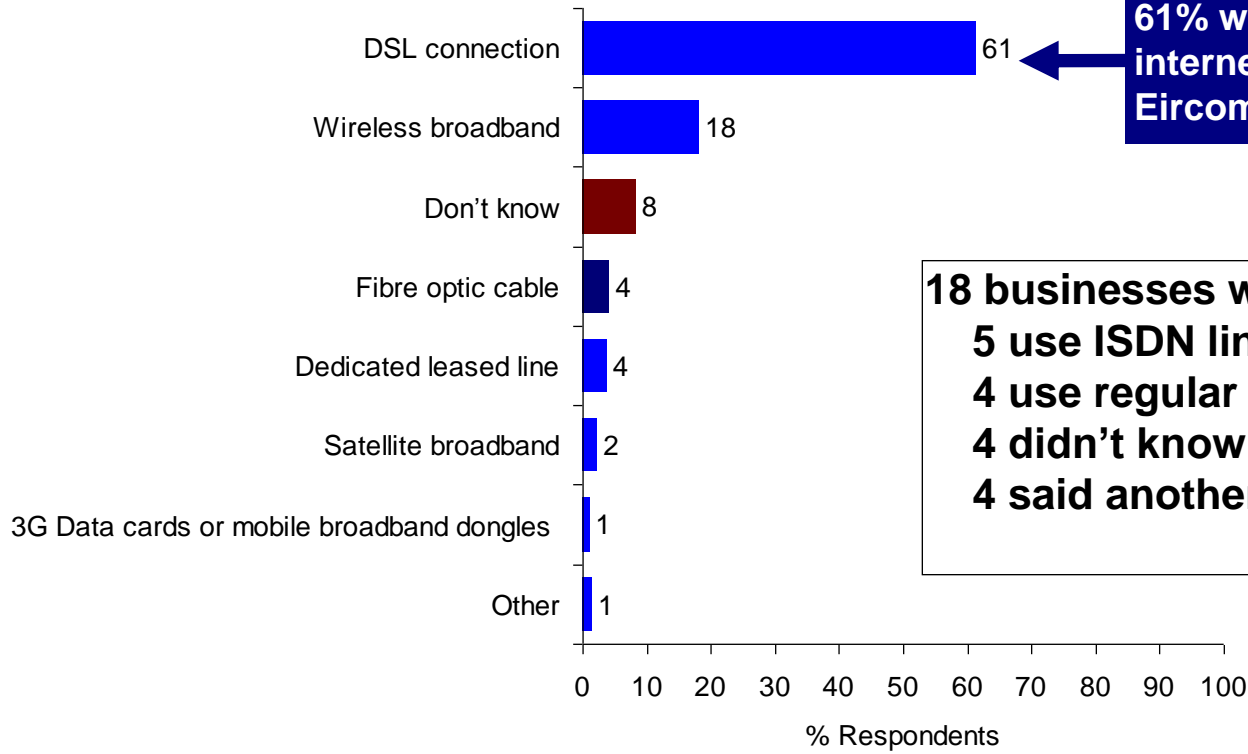


Whether have broadband and type of connection



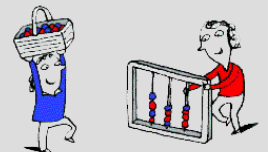
Business broadband is mainly through DSL connection

98% of businesses have internet. 94% have broadband



61% where unbundled internet provided by Eircom

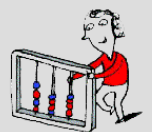
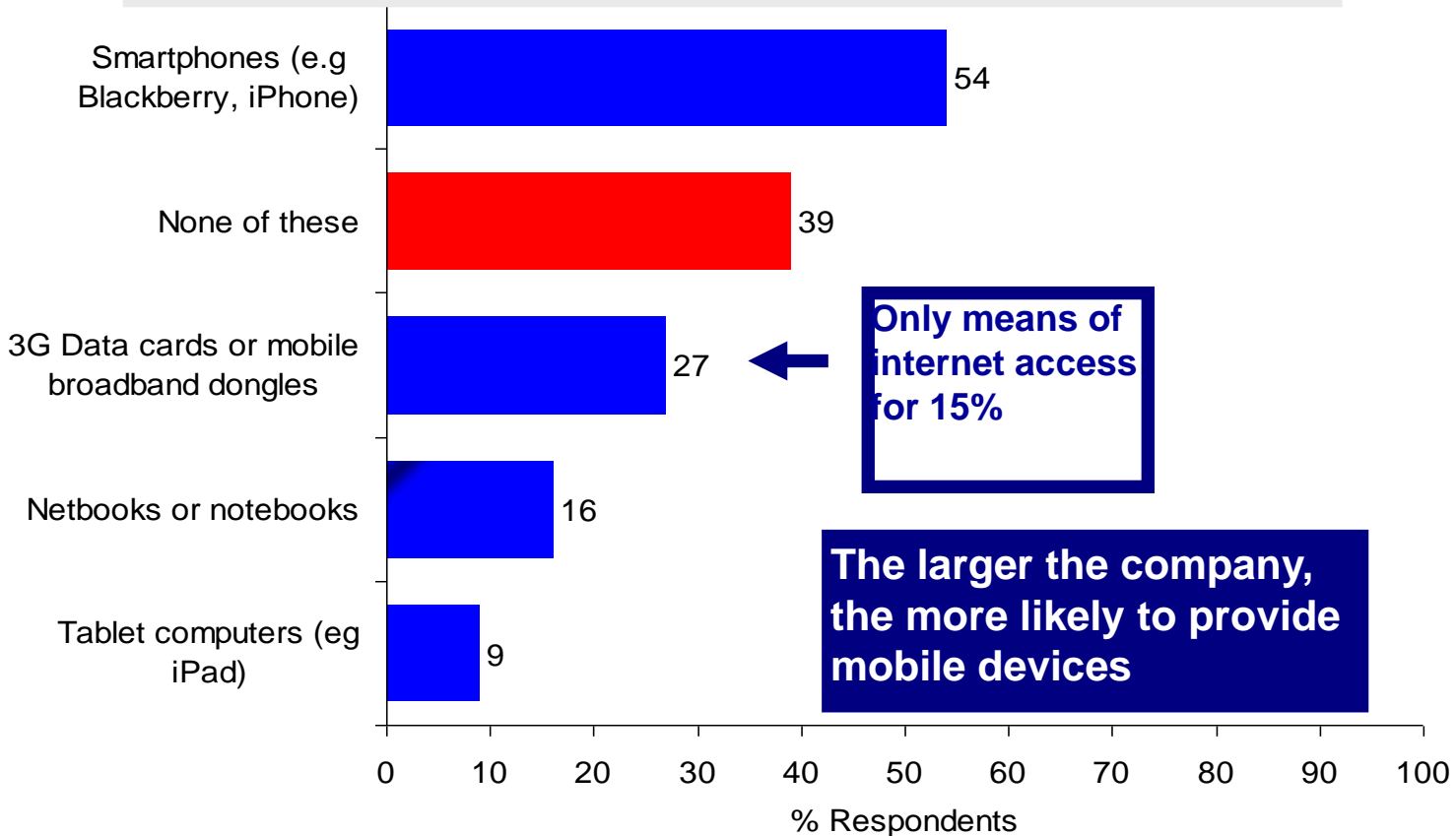
18 businesses without broadband
5 use ISDN line
4 use regular phone line
4 didn't know
4 said another means



Mobile devices provided to employees and whether only means of internet access



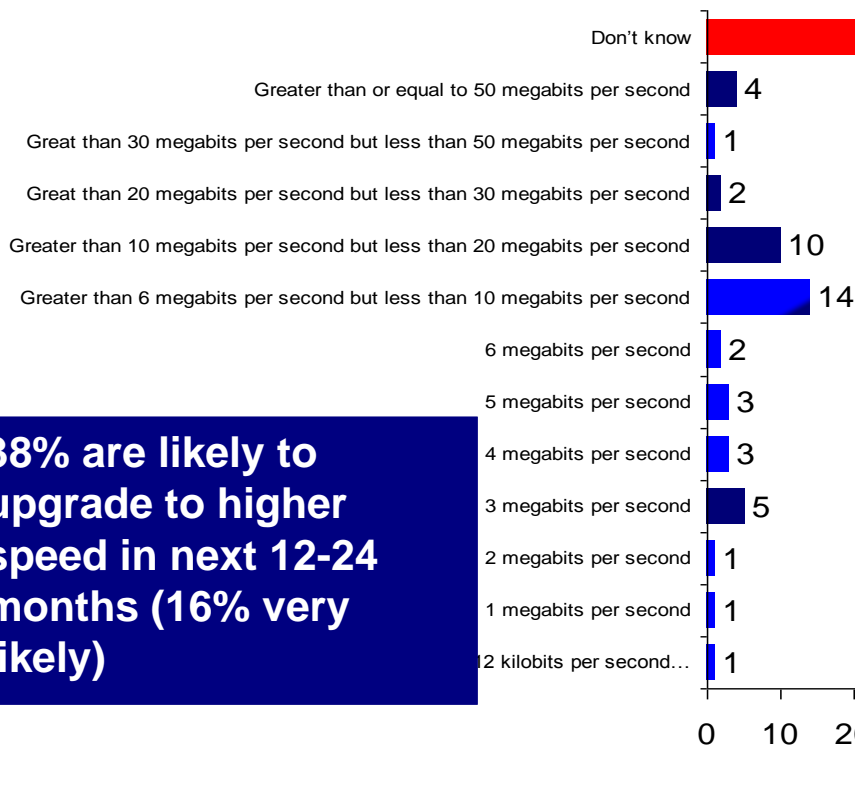
More than half of businesses with mobile services supply Smartphones to employees



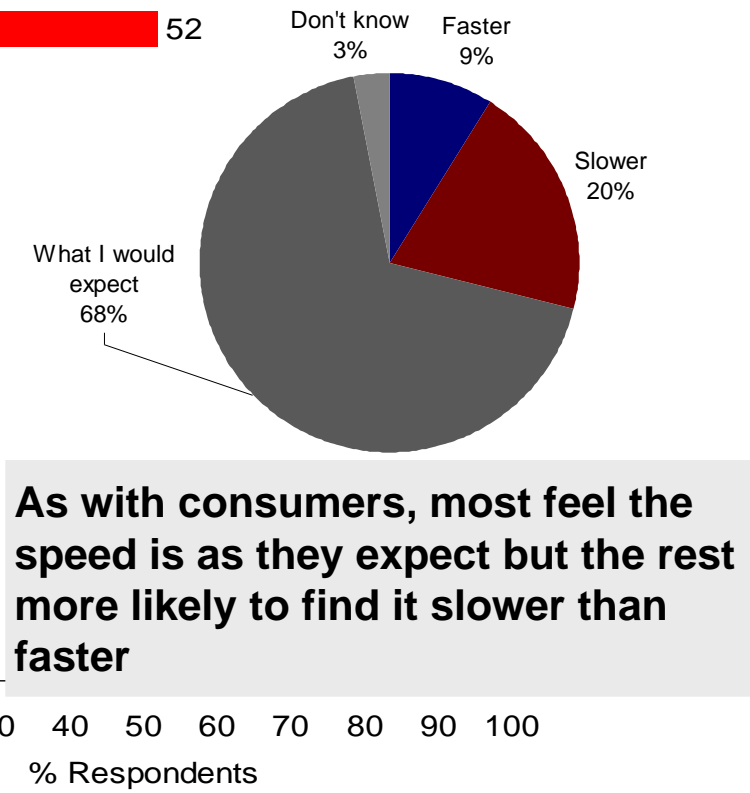
Contracted download speed and whether speed matches expectations



Most businesses don't know their contracted speed



38% are likely to upgrade to higher speed in next 12-24 months (16% very likely)

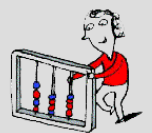


As with consumers, most feel the speed is as they expect but the rest more likely to find it slower than faster

Base: Those with internet (489)

Q59 What stated download speed is your internet supplier contracted to provide to your company? That is what speed package you are paying for?

Q59a Does the actual speed that you currently experience meet your expectations?

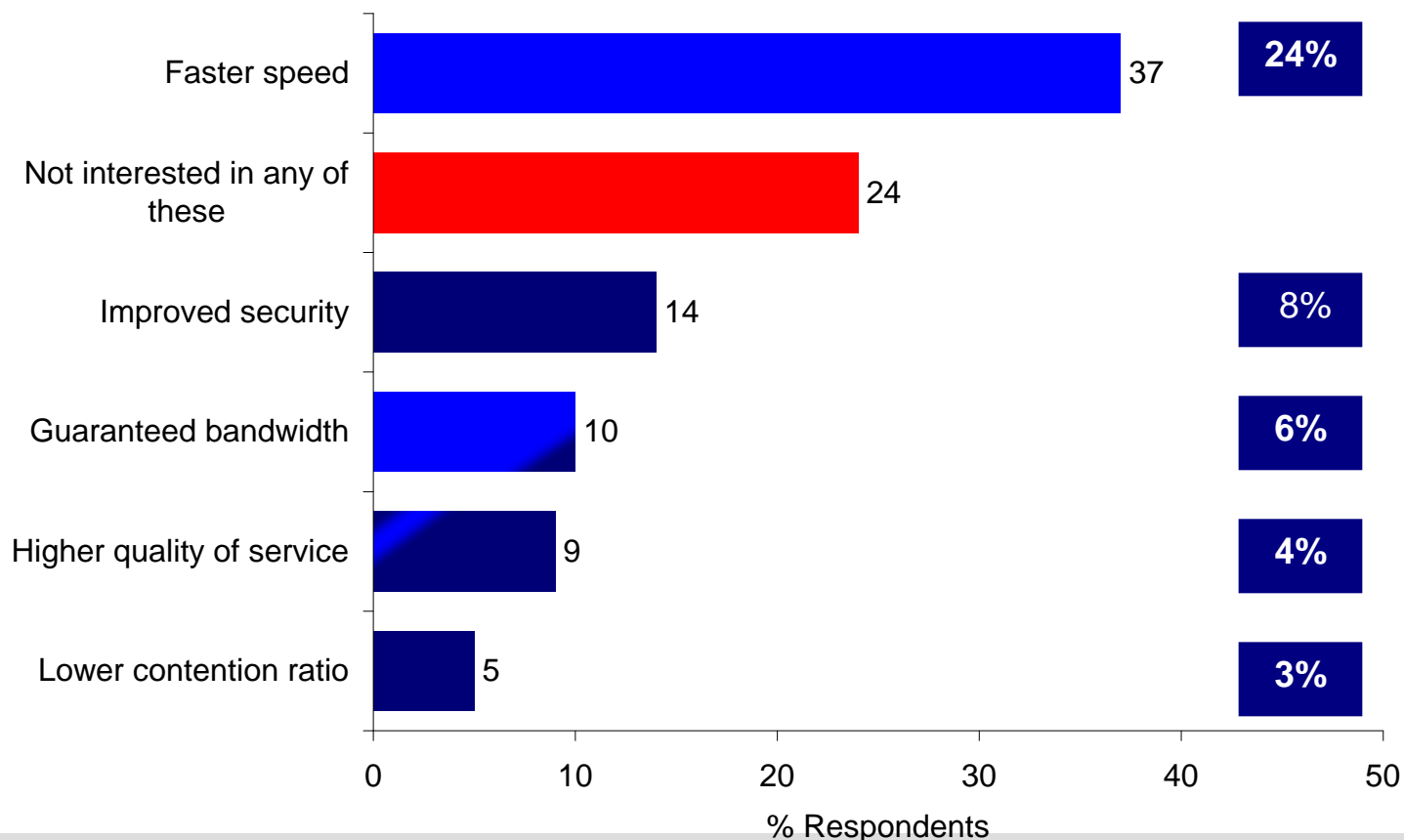


Broadband improvements most willing to pay for and actual preparedness to pay



The improvement businesses most willing to pay for is faster speed

Actually prepared to pay more

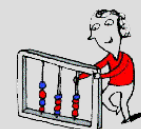


Base: Those businesses with internet (489)

Q51 Which of the following improvements to the broadband service would you be most prepared to pay for?

Q52 And would you be prepared to pay more than you do currently to have...

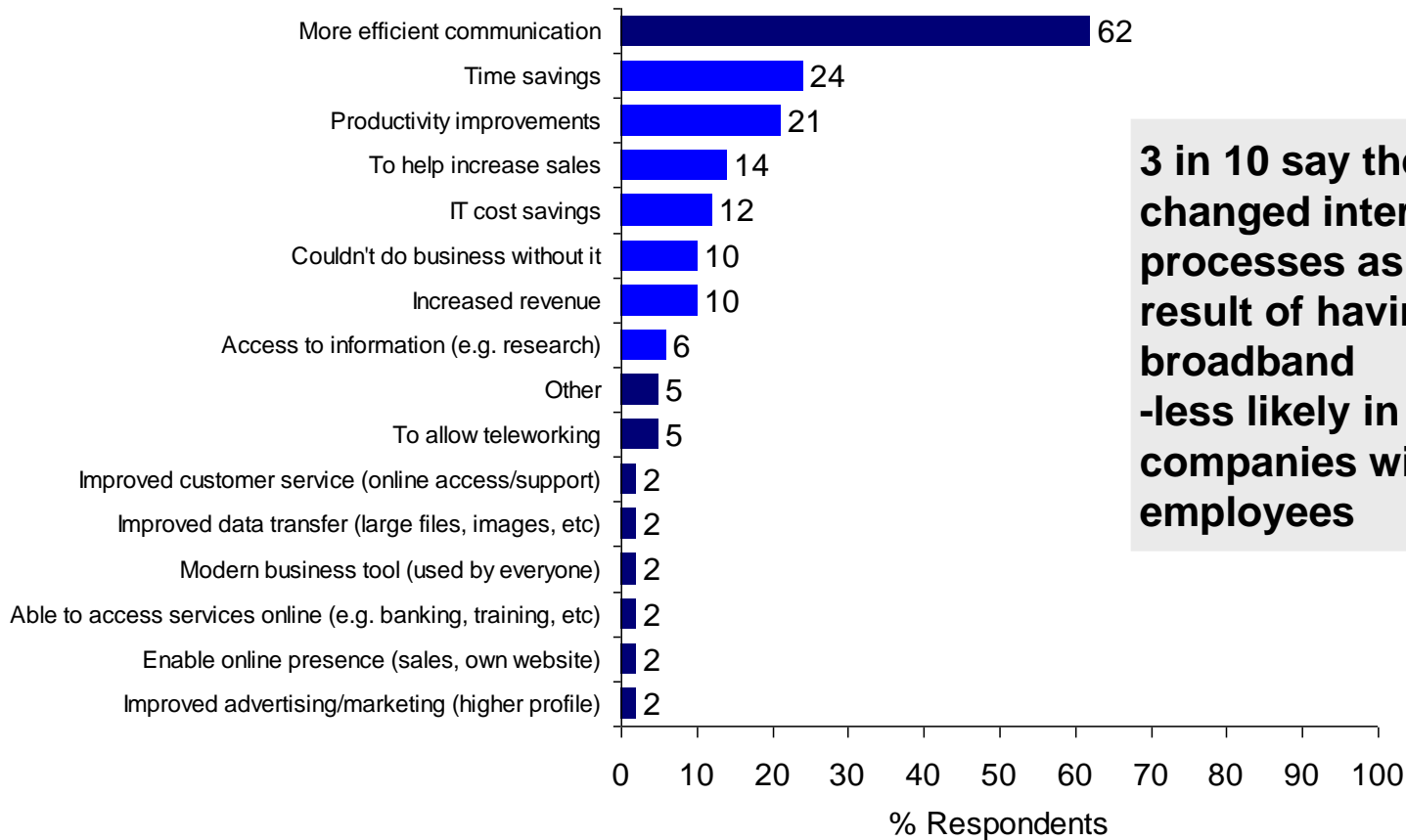
slide 33



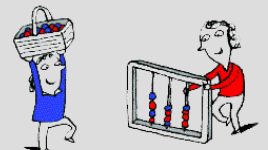
Reasons for feeling the internet has had a positive influence



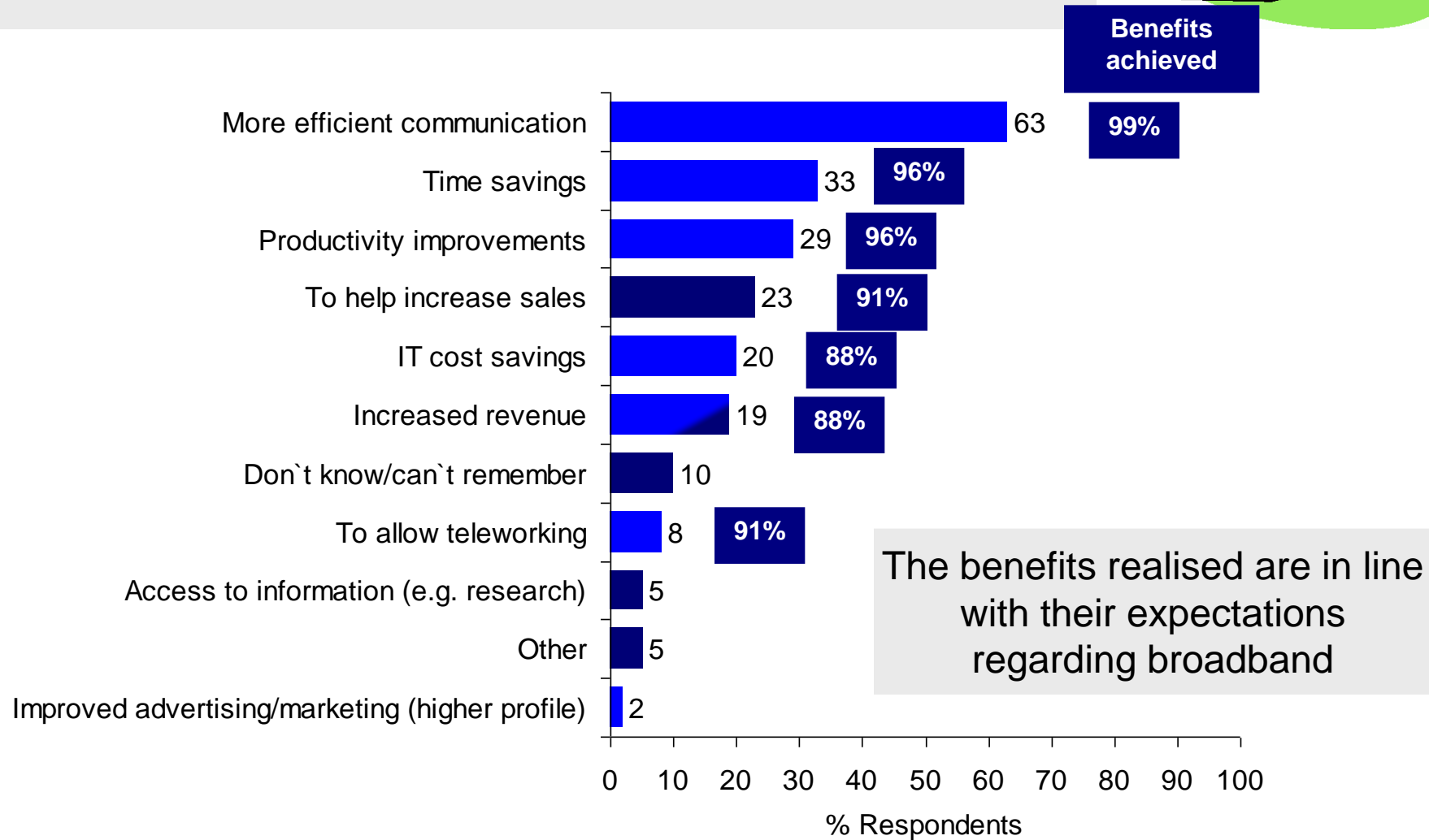
9 in 10 businesses say the internet has had a positive influence on their company



3 in 10 say they have changed internal processes as a result of having broadband -less likely in companies with <10 employees



Benefits hoped to achieve through broadband and whether achieved

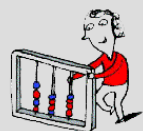


Base: Those businesses with internet (489)

Q46 What benefits did you hope to achieve through having broadband?

Q47 And which of those benefits would you say you have actually achieved through broadband? Q49 Are there any internal processes that you have changed as a result of having broadband?

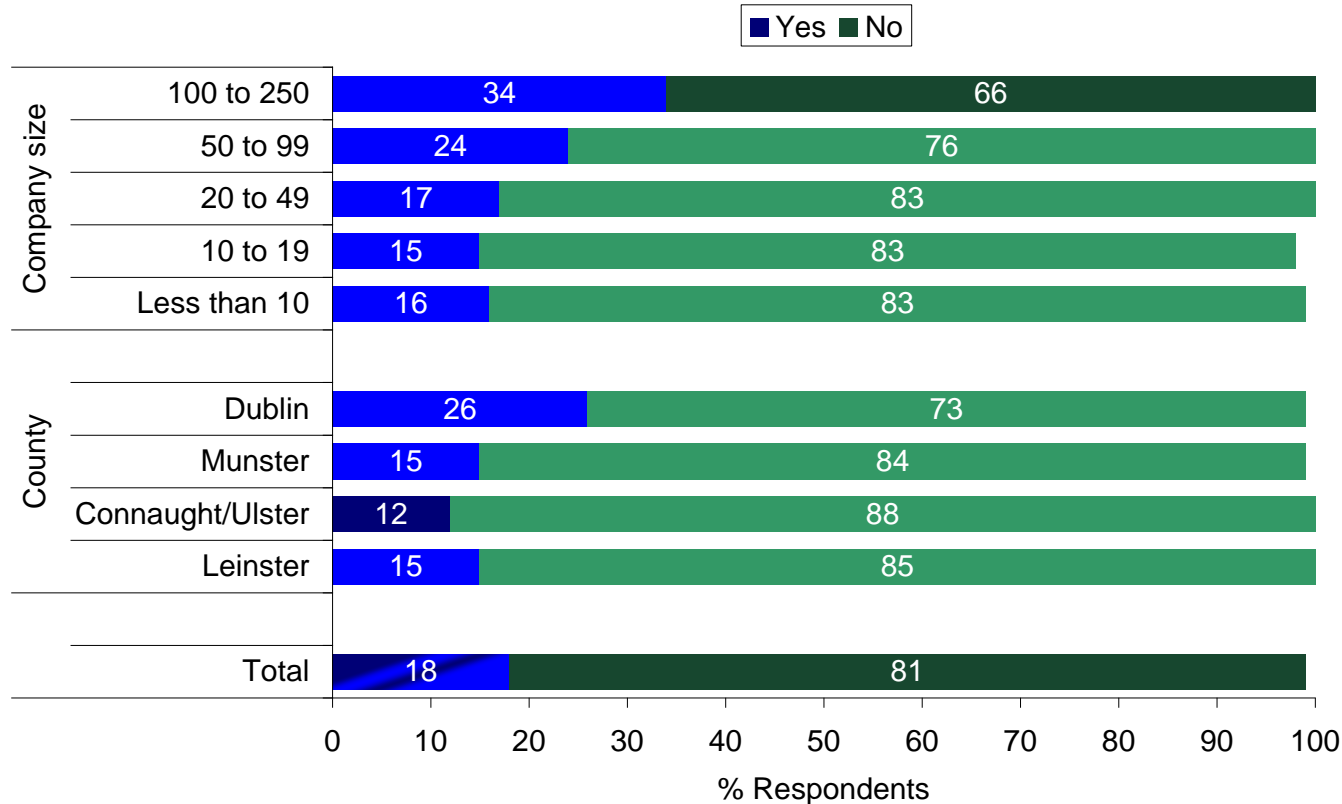
slide 35



Whether use VoIP



One in five businesses with a fixed line use VoIP; more common among larger companies



The majority use Skype or a similar service (75%) but for one in five the VoIP service is part of their contract

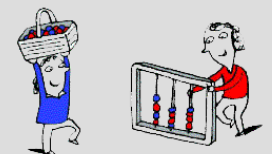
More than half (60%) have been using VoIP services for more than one year

Only 17% of non users think they will start to use in next 12 months



Base: all respondents who have a fixed line, except those who have it included in a bundled package (235)

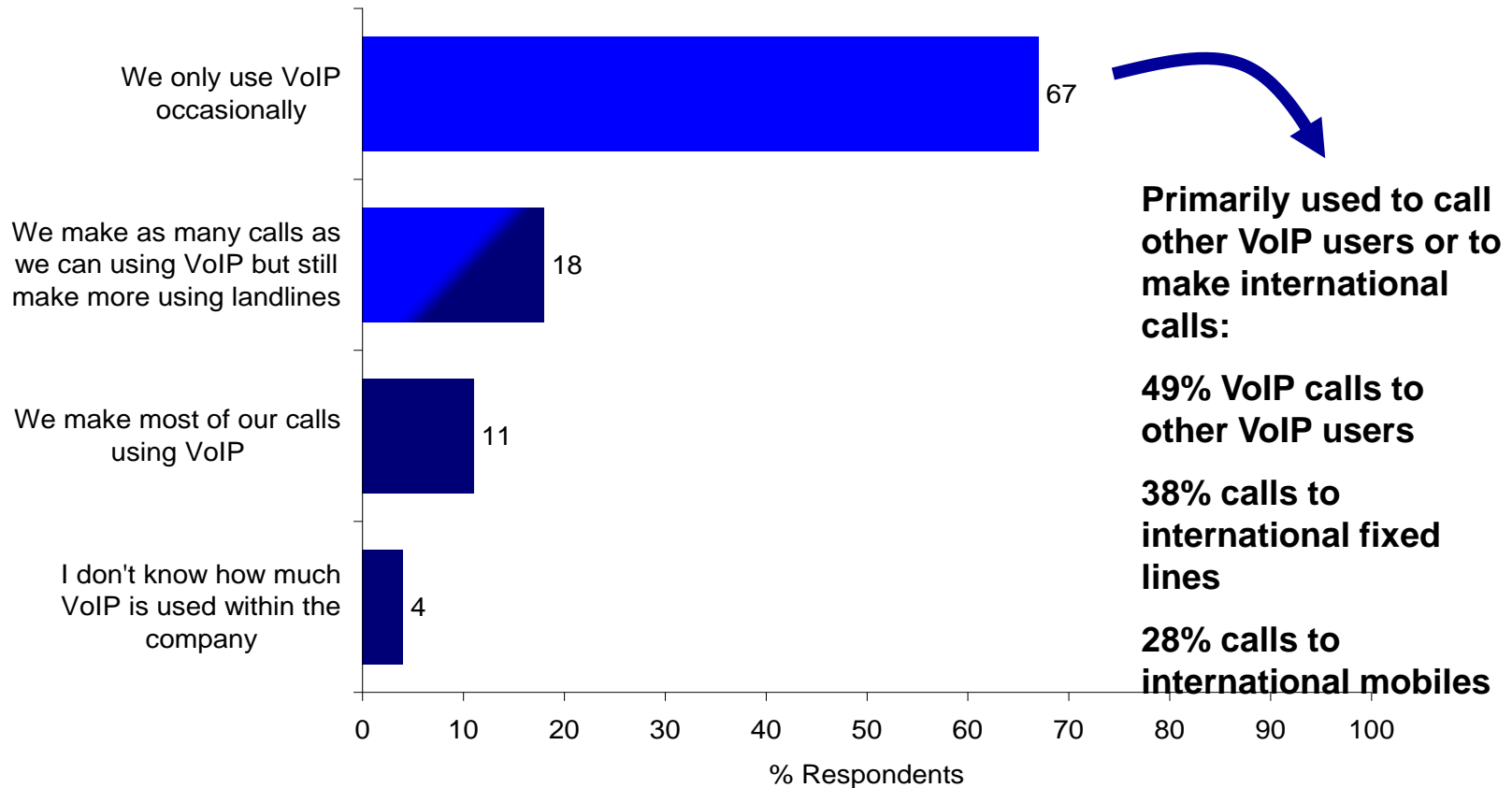
Q7a. And do you use a VoIP service such as Skype or a similar service from your internet service provider?



VoIP usage versus traditional landline

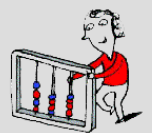


Two-thirds of businesses using VoIP only use it occasionally



Base: all respondents who use a VoIP service (91)

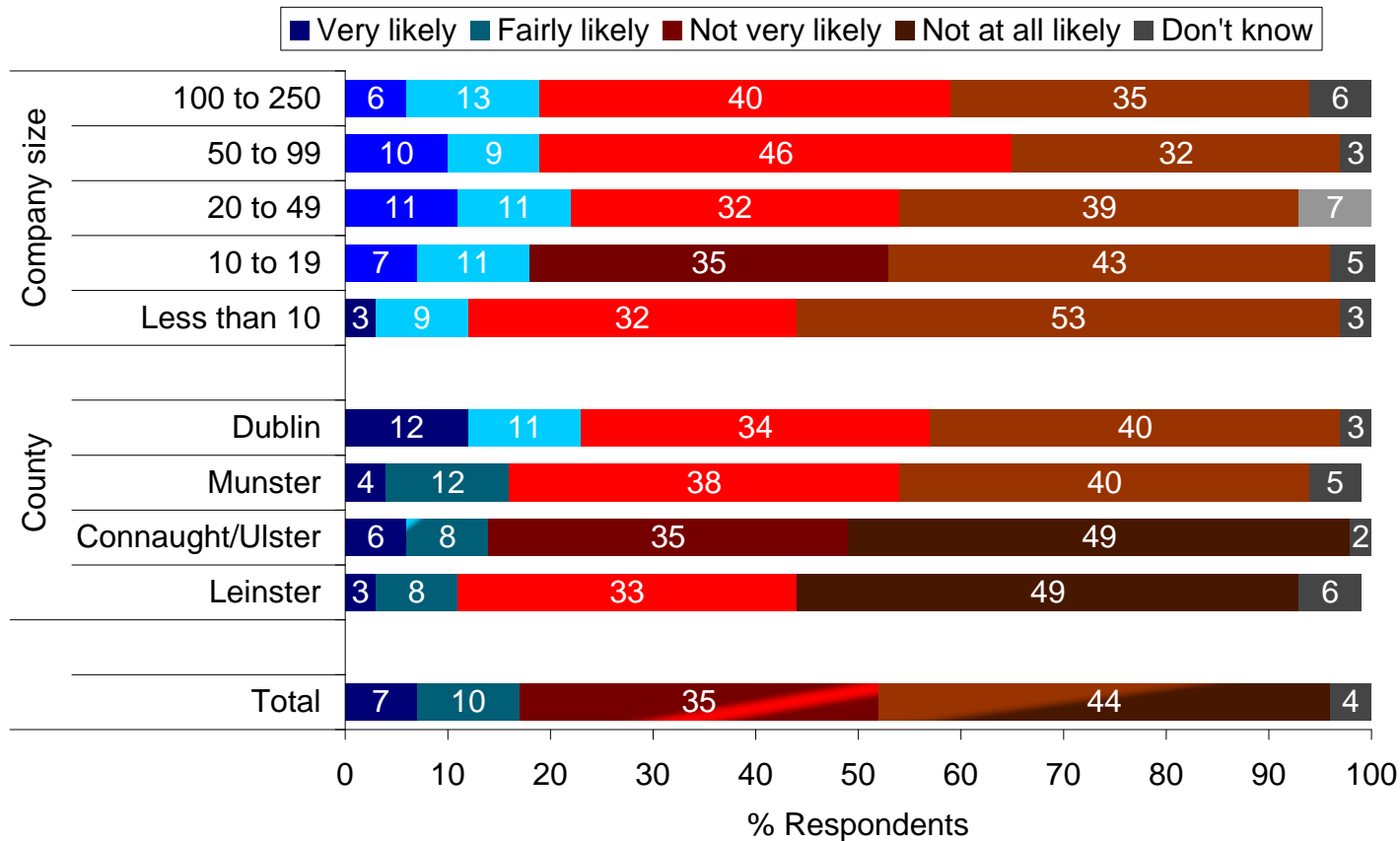
Q7e: To what extent do you use this VoIP service instead of a traditional landline?
Which of the following statements is closest to describing your usage?



Likelihood of non users starting to use VOIP over the next 12 months



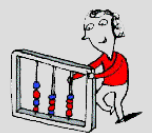
Most are not likely to start using VoIP services in the next 12 months



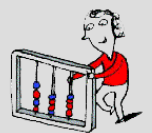
Base: all respondents who do not use a VoIP service (398)

Q7f. How likely is your company to start using VoIP over the next 12 months

slide 38



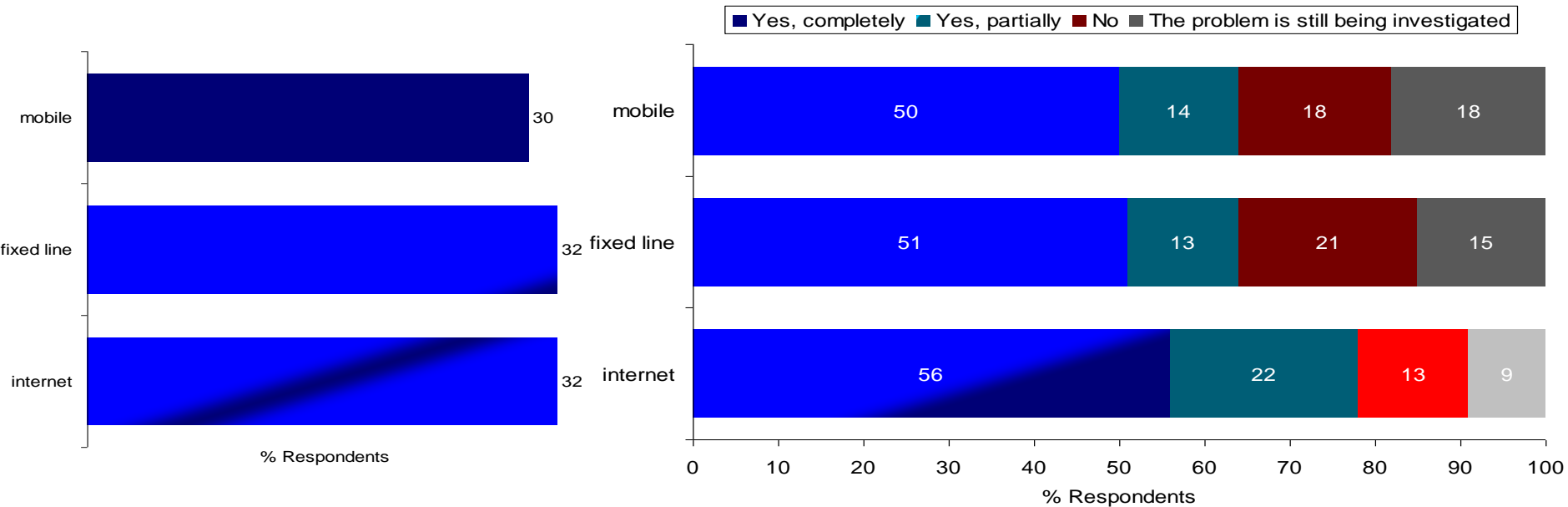
Contact with ComReg and complaints



Whether contacted supplier in last 12 months to complain and whether resolved to their satisfaction

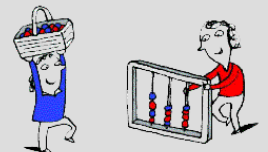


Around a third have contacted their provider to make a complaint; those contacting their internet provider most likely to be satisfied with the resolution



A notable minority unhappy with the outcome of the complaint

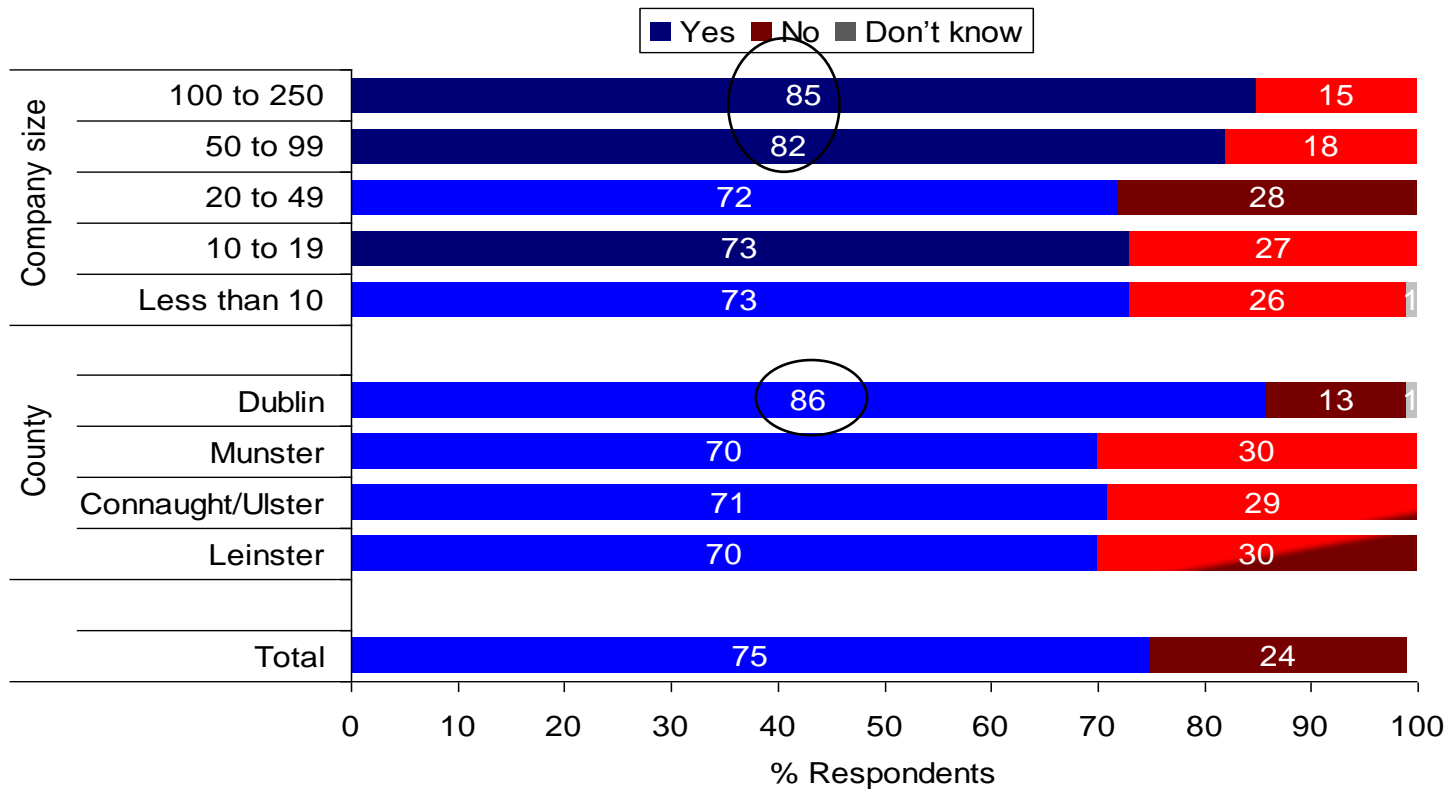
Base: all businesses who have a fixed line phone (492)/mobile phone (402)/internet service (489); all consumers who had made a complaint (fixed line phone 155/mobile phone 119/internet 156)
 Q. Have you ever contacted your fixed line phone /mobile phone/internet provider in the last 12 months to make a complaint about something?
 Q. And was the problem resolved to your satisfaction?



Whether heard of ComReg

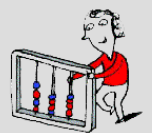


Awareness of ComReg is high in the business community



Base: All businesses (500)
Q64 Before this interview had you ever heard of the Commission for Communications Regulation, also known as ComReg?

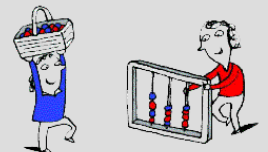
slide 41



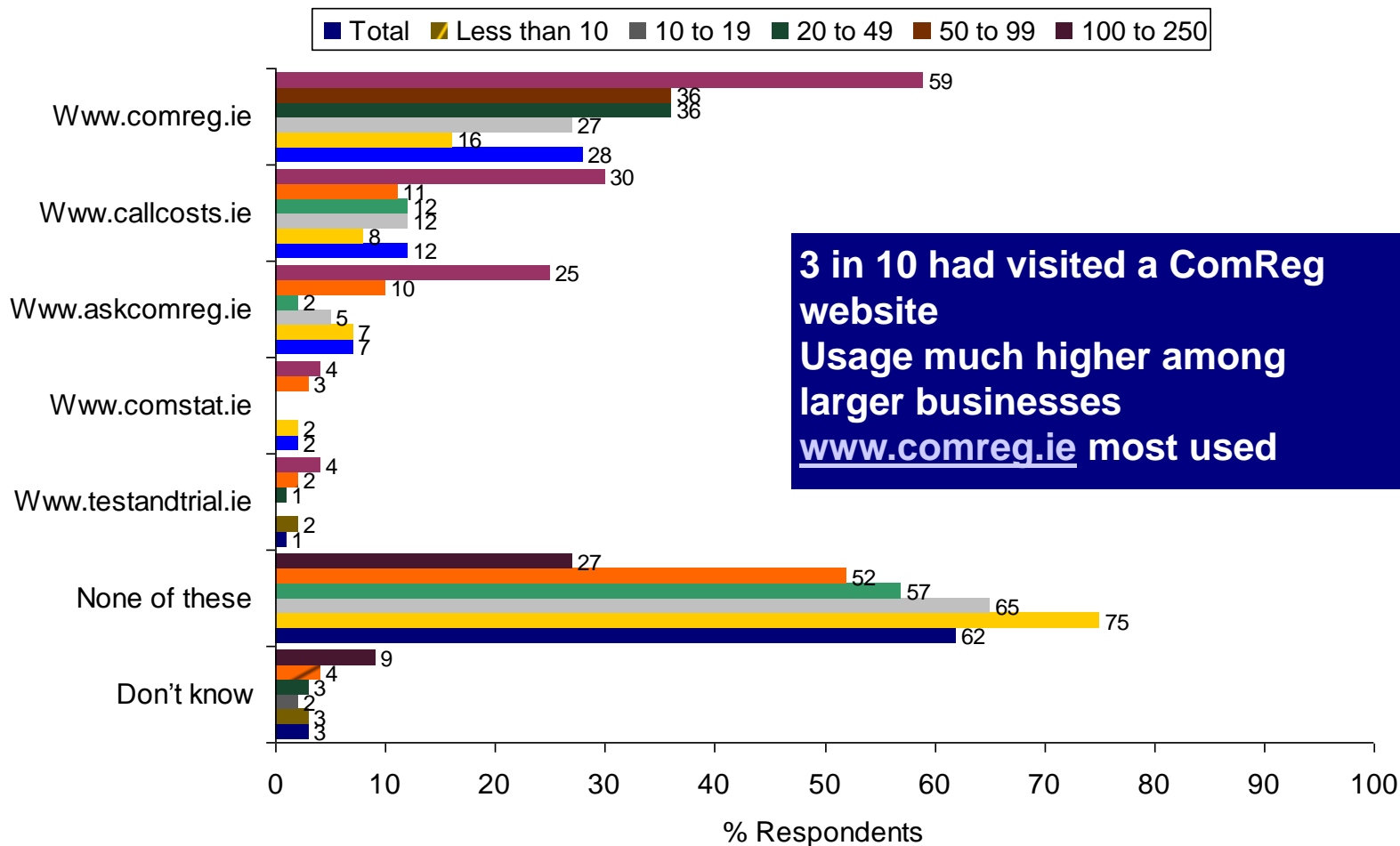
Also high awareness of ComReg's role



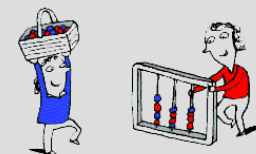
- 74% were aware they could contact ComReg with regards to complaints they were unable to resolve with ICT providers (56% of all businesses)
- 8% (6% of all businesses) said that they had done so in the last 12 months
 - Of these 29 businesses:
 - 8 very satisfied
 - 8 quite satisfied
 - 2 neither satisfied nor dissatisfied
 - 4 quite dissatisfied
 - 7 very dissatisfied....with the outcome



Whether visited ComReg websites



Base: All aware of ComReg (376)
 Q68 Which, if any, of the following ComReg websites have you ever visited?

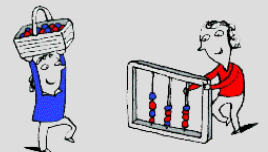


Conclusions



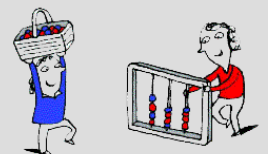
Conclusions

- Fixed line phones seen as essential by most businesses
- Some evidence of growing use of mobiles
 - also businesses tending to provide employees with Smartphones
- One in five use VoIP, rising to a third in businesses with over 100 employees. 29% of users try to use as much as possible or make almost all calls via VoIP
- Internet seen as a positive impact on business by 9 in 10
- Bundles very common (6 in 10 businesses use one)
 - generally include fixed line and internet but mobiles usually included for bigger businesses



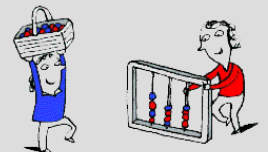
Conclusions 2

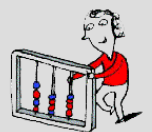
- Fixed term contracts are common for businesses but there is a lack of awareness of the terms and conditions for cancelling contracts
 - Internet (45% businesses unaware)
 - Mobile (32% businesses unaware)
- Slightly more switching than last year; a third had switched bundle supplier
 - most found switching easy to do
 - most switch to save money but for internet switching it's service quality
- Some evidence of the effects of the recession
 - a third of businesses have reduced spend in last 12 months and similar proportion expect to do so in next 12 months
 - only 1 in 5 'very likely' to switch ISP for a 10% saving



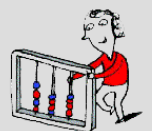
Conclusions 3

- Eircom is main supplier of fixed line and internet
- While cost is the most important feature when choosing a fixed line or mobile supplier, for businesses internet speed is more important than cost. A significant minority are planning an upgrade to a higher speed in the near future
- Customers generally satisfied with their providers (especially with mobile and internet providers) and businesses see telecoms market as more competitive than 12 months ago
- High awareness among businesses of ComReg and its role

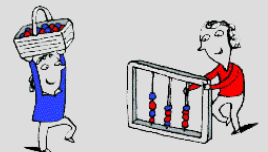
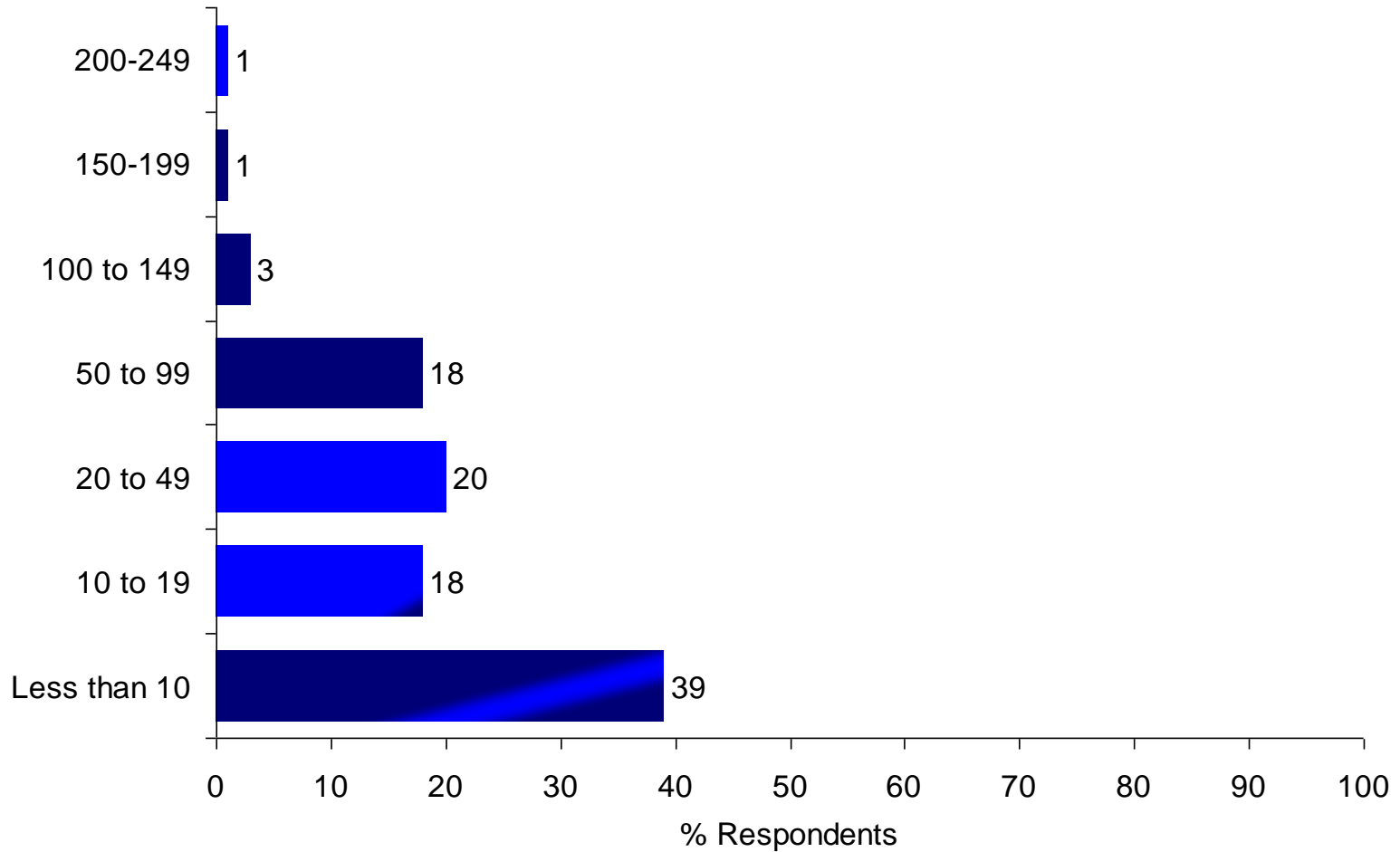




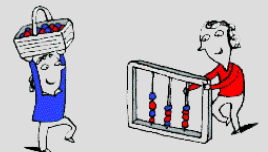
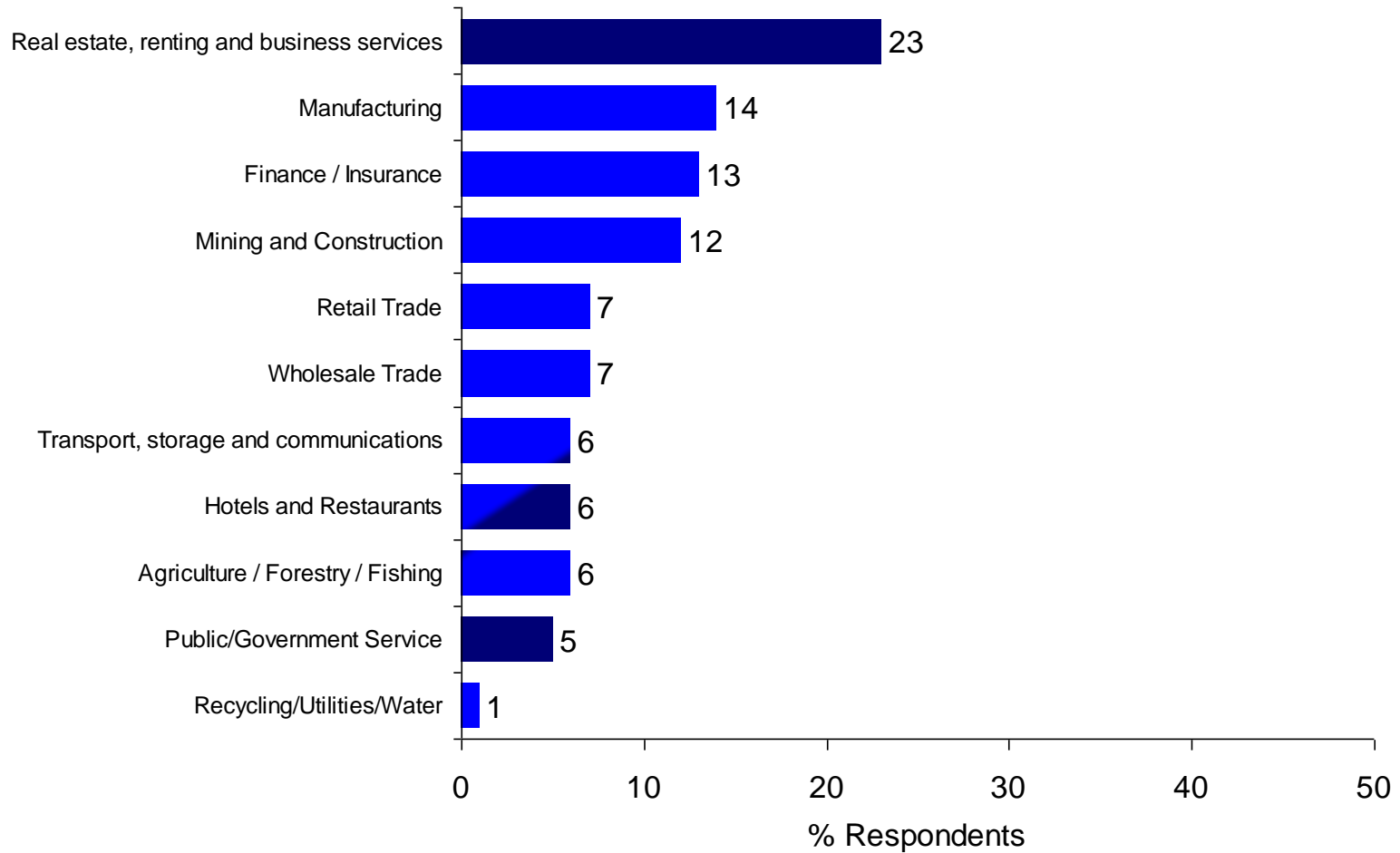
Business classification



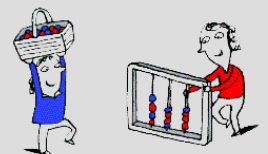
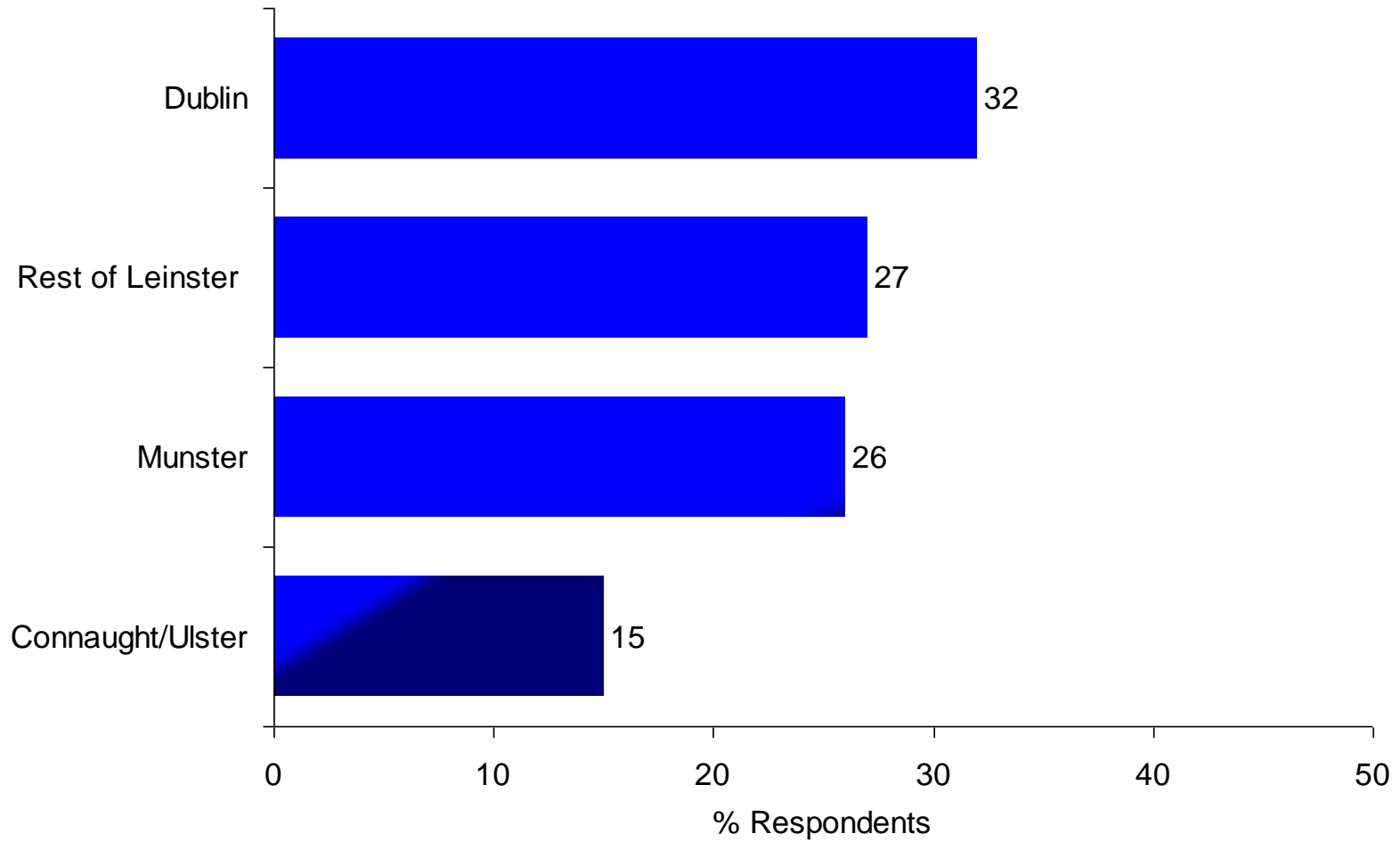
Number of employees



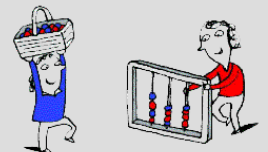
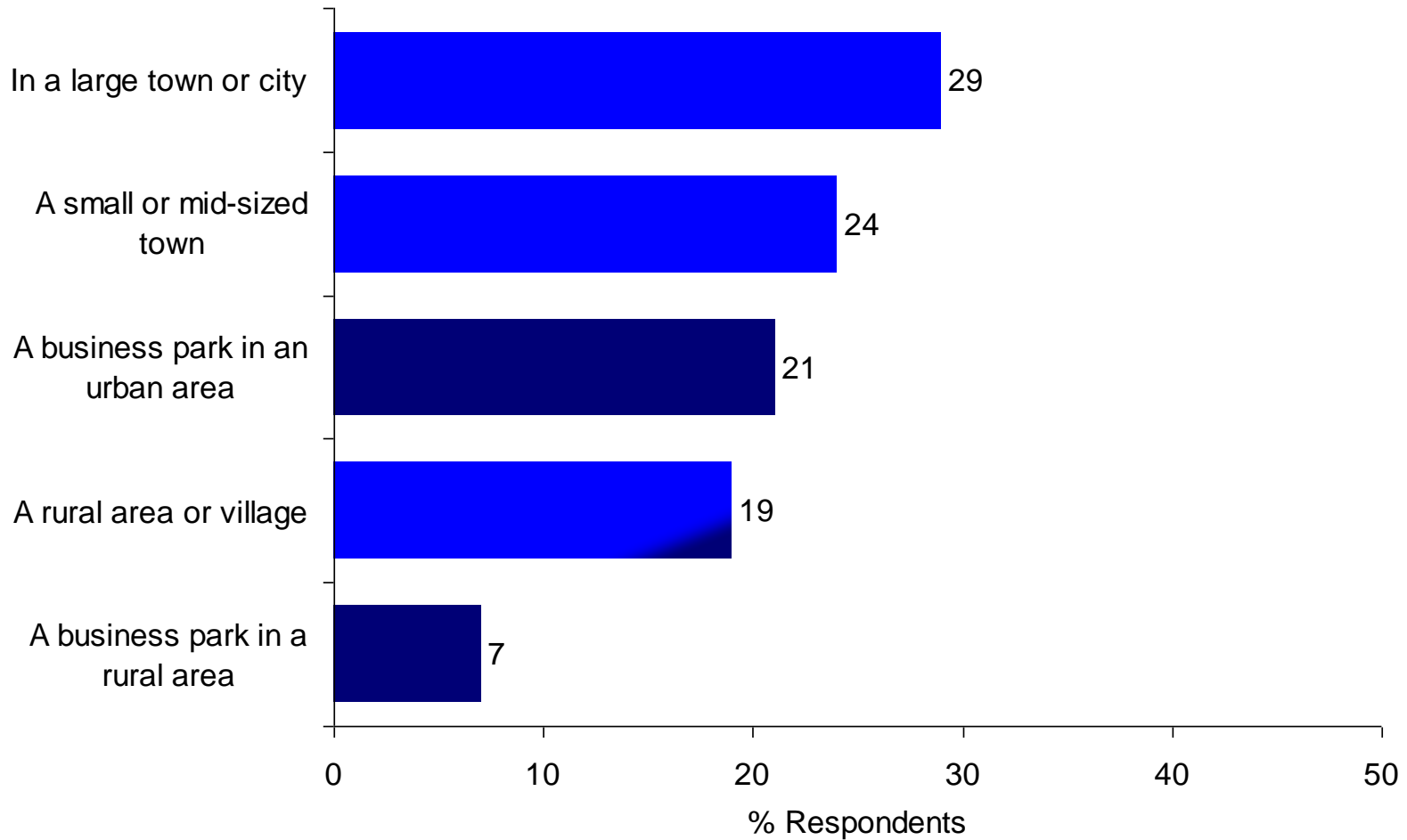
Company sector



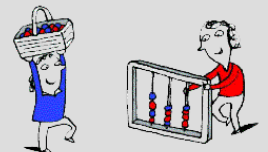
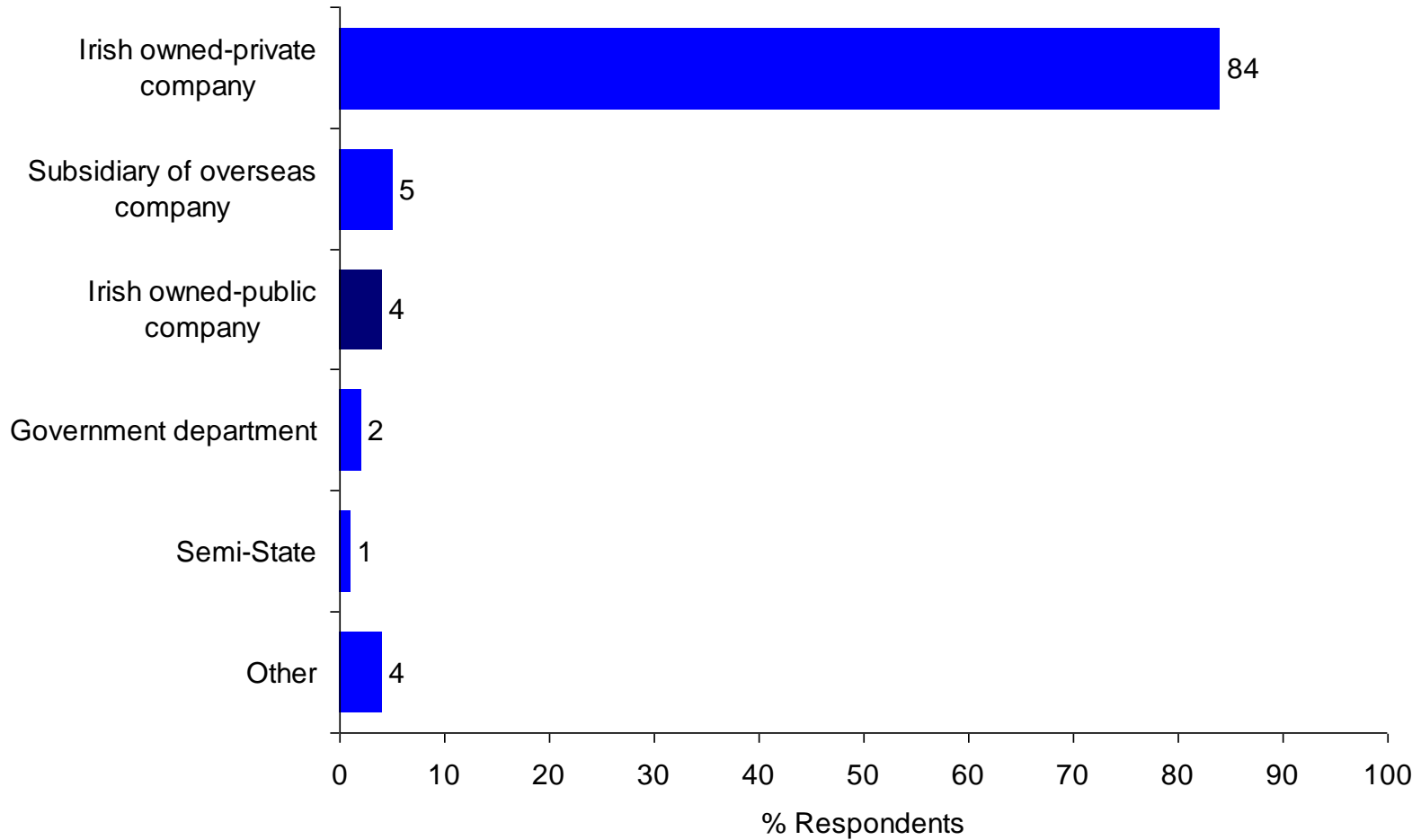
Location



Business location



Company ownership



Respondent position

