



Commission for
Communications Regulation

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Survey reveals over half of businesses reduced communications spend in 2009

The Commission for Communications Regulation (ComReg) today published its second business survey of 2009. The survey is based on research conducted by Millward Brown Lansdowne during September and October on a nationally representative sample of 485 Small to Medium Enterprises (SMEs), defined as less than 100 employees, and 66 Corporates, defined as more than 100 employees. The key findings from the business survey show:

Fixed Line

- In line with continued difficult economic times, there has been an increase of businesses (42%) saying “getting the best value for money” is the main reason they chose their main fixed line supplier.
- Nearly 4 in 10 of those SMEs who had ever switched fixed line provider did so in the last 12 months, an increase of 5 percentage points on the same period last year.
- While the majority (92%) of businesses do not use a single telecoms operator for fixed and mobile communications, 6 in 10 of these are interested in doing so.
- 14% of businesses have considered dispensing with their fixed line service, primarily because of the cost of calls and line rental.

Mobile

- 83% of all businesses in Ireland provide their employees with company mobile phones - this has remained at similar levels over the last two years.
- Just over one in ten businesses using mobile broadband say that this is their main means of access - down from 23% in 2008.
- Lack of requirement and the expense of data roaming remain the main reasons given by businesses for not actively encouraging data roaming among their employees.
- Quality of calls is a key driver in switching back to the original mobile provider. It is likely that mobile phone reception in different areas is linked to quality of calls and, therefore, key in switching decisions.

Internet

- Overall 94% of Irish businesses have internet access. There have been small increases in access among both SME and Corporates in this research.
- Eircom continues to be the main Internet Service Provider (ISP) in the market used by businesses in Ireland. However, the use of other providers continues to grow with 4 in 10 businesses now using a provider other than Eircom.
- There is a small base of companies with internet access (7%) who use only a narrowband Internet connection. Those saying they are unlikely to get a broadband connection have increased this wave.
- Over 6 in 10 businesses, whose broadband speeds were upgraded, did not pay for the upgraded speeds. Nearly 7 in 10 businesses with 10-49 employees are likely to say this (69%).
- Reliability of broadband service is the most important consideration for businesses, with 57% saying this. This is higher among corporate businesses (62%) and businesses based in the rest of Leinster (64%).
- Nearly 6 in 10 businesses say they would switch broadband supplier for a 10% bill saving, up marginally from 2008. However, those who say they would be unlikely to switch have decreased from 35% to 25% this year.

Overall, 56% of businesses claim to have reduced spend on their communications services in the past twelve months. Corporates (61%) and those businesses employing 10-49 people (64%) are most likely to claim to have reduced spend.

The full set of published results - ComReg Document 09/92 - is available in the Publications Section of the ComReg website www.comreg.ie

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