Business Broadband Survey Overview:
Business Broadband Survey Overview: **Stirling Council, April 2012**

1. Introduction

Stirling and Clackmannanshire Councils conducted an online survey with businesses between August 2011 and February 2012 to gather evidence on the following:

- Broadband download and upload speeds by geography
- Information on how broadband is used by businesses
- Information on any current issues with broadband service provision

The evidence gathered will be used by the Councils to support funding applications to improve the existing broadband infrastructure across the Clackmannanshire and Stirling Council areas. The download speeds and post-code information collected by the survey will also be used to map broadband speeds across the area.

The survey was publicised widely by the Councils and the local and community press. The survey used a self-selection process, e.g. 248 businesses completed the survey after networking with staff from the local authorities and / or partner organisations or seeing publicity in the local press. It should also be noted that the time of day varied at which respondents completed the survey, plus the number of people using their internet connection, etc.

2. Overview of survey results

248 returns were received to the online business survey between August 2011 and February 2012, with respondents based in:

- Stirling Council area – 75.8%
- Clackmannanshire Council area – 23.4%
- Falkirk Council area – 0.4%
- Outside Forth Valley area – 0.4%

Table 1 below shows the download and upload speeds recorded by respondents when they completed the business survey.

- 32.4% of businesses in the area had download speeds of 2 MB or less, 31.5% had download speeds of 2.01-5.00 MB, 25.7% had download speeds of 5.01-10 MB and around 10% had download speeds of more than 10 MB.
- Most businesses (98.8%) had upload speeds of 2 MB or less.

Table 1: Download and upload speeds recorded for business respondents

	Download Speed	Upload Speed
0 MB	0.4%	0.4%
0.01-2.00 MB	32.4%	98.8%
2.01-5.00 MB	31.5%	0%
5.01-10.00 MB	25.7%	0.8%
10.01-24.00 MB	9.1%	0%

24.01-40.00 MB	0.8%	0%
40.01-80.00 MB	0%	0%
>80.00 MB	0%	0%

Respondents to the survey were asked how they were currently connected to the internet – the majority (85%) were connected via a phone line (ADSL).

Table 2: How connected to internet when completing the survey

Type of connection	% respondents
Broadband via phone line (ADSL)	85.0%
Dial-up or ISDN via phone line	2.0%
Wi-fi- via a hotspot (not your own wireless system)	0.4%
Cable / fibre optic internet	0.8%
High-speed leased line (T1 / T3)	0.4%
Mobile phone or dongle (3G)	1.6%
Mobile phone or dongle (not 3G)	0.4%
Satellite broadband	4.5%
Other	1.2%
Don't know	3.6%

Table 3 shows the results to a question asking to what extent individuals agreed or disagreed that broadband was critical to their business. From the results it is clear that broadband is critical to most businesses, with 88.6% strongly agreeing and 9.8% agreeing.

Table 3: Extent to which broadband critical to business

To what extent do you agree or disagree that broadband is critical to your business?	% respondents
Strongly agree	88.6%
Agree	9.8%
Neutral	0.8%
Disagree	0.4%
Strongly disagree	0%
No opinion / not applicable	0.4%

Some additional comments provided by respondents to the survey on the importance of broadband to their business are included in Table 4 below.

Table 4: Comments on how critical broadband is to business

Use internet for online bookings, contracts, payments, website, emails, transfer of documents, marketing, membership, downloading media, etc.
Broadband is critical for businesses in particular sectors, e.g. IT.
Critical – business could not function without broadband.
Better broadband service would increase business efficiency.
If broadband service is not improved, will have to move business to another area.
Service badly affected by certain weather conditions.

Notes: Individual comments have been generalised and grouped to protect identity of individuals.

Table 5 shows the results to a question asking if businesses would need a faster broadband connection within the next three years. The majority (91.4%) indicated that they would.

Table 5: Requirement for faster broadband connection in next three years

Within the next three years, do you think your business will need a <u>faster</u> broadband connection?	% respondents
Yes	91.4%
No	2.9%
Don't know / not applicable	5.7%

Some additional comments provided by respondents to the survey on the need for a faster broadband connection are included in Table 6 below.

Table 6: Comments on need for a faster broadband connection

Need more bandwidth than currently available / ever increasing need for more bandwidth
Broadband speed a limiting factor on growth within existing premises
Customers want WiFi connections
Faster broadband required now
Slow connection / speed mean can't develop business website, databases, etc.
Faster broadband would enable business development, e.g. introduce sales website, use of the "cloud", video conferencing, etc.
Would improve customer service
Faster speeds required to remain competitive

Notes: Individual comments have been generalised and grouped to protect identity of individuals.

Table 7 shows the results to a question asking if businesses will need a more reliable broadband connection within the next three years. The majority (90.9%) indicated that they would.

Table 7: Requirement for more reliable broadband connection in next three years

Within the next three years, do you think your business will need a <u>more reliable</u> broadband connection?	% respondents
Yes	90.9%
No	6.2%
Don't know / not applicable	2.9%

Some additional comments provided by respondents to the survey on the need for a more reliable broadband connection are included in Table 8 below.

Table 8: Comments on need for more reliable broadband connection

Current provision inconsistent
Current service fine / reliable
Phone infrastructure prone to failures
Affects customer service when loading speeds are slow
Speed variable / unusable at times
At end of the phone line – even a minor drop in quality results in dramatic loss of performance
Weather sensitive
Would move business to achieve more reliable broadband
More reliable broadband essential to grow online business

Notes: Individual comments have been generalised and grouped to protect identity of individuals.

Businesses were asked if they planned to significantly grow their business within the next three years. The results indicate that:
- 66.5% of respondents did;
- 16.3% of respondents did not; and
- 17.1% of respondents did not know / the question wasn't applicable to them.

Table 9 shows the results to a question asking businesses how important access to a quality broadband service was in their choice of business location. Over three quarters (77.1%) reported that it was very important.

Table 9: Importance of access to a quality broadband service to choice of business location

How important is access to a quality broadband service in your choice of business location?	% respondents
Very important	77.1%
Quite important	13.9%
Not important	4.1%
No opinion / not applicable	4.9%

Some additional comments provided by respondents to the survey on the importance of access to a quality broadband service on their choice of business location are included in Table 10 below.

Table 10: Comments on importance of access to a quality broadband service to choice of business location

Absolutely critical / essential – couldn't operate without it
Ability to operate and safety and welfare of staff dependent on fast, reliable communications
Very important due to rural location
Failure to access quality broadband would severely impact on business operations
Wouldn't have moved to this location if knew broadband was so poor
Low speeds in current location making it hard to function, e.g. upload video / audio, etc.
Can't move business to access better broadband as business is site specific / work from home

Notes: Individual comments have been generalised and grouped to protect identity of individuals.

Businesses were asked which business activities they required broadband for. Table 11 below provides the results, showing that over half of businesses require broadband for the following activities:

- Sales / customer relationship managements (80.6%)
- Marketing (70.6%)
- Awareness raising, i.e. business website / social media (66.5%)
- Purchasing / procurement (65.7%)
- Research and development (57.7%)

Table 11: Business activities that businesses require broadband for

Business activities businesses require broadband for	% respondents
Sales / customer relationship management	80.6%
Marketing	70.6%
Awareness raising, i.e. business website / social media	66.5%
Purchasing / procurement	65.7%
Research and development	57.7%
Accounts management	48.8%
Training	41.1%
Design & production	30.6%
Environmental scanning / market research	30.6%
HR / employment records	17.7%
Exporting	12.1%
Other	10.9%
I don't require broadband	0.4%

Businesses were asked which technical functions they required broadband for. Table 12 below provides the results, showing that over half of businesses require broadband for the following technical functions:

- Email (97.2%)
- Website updating and maintenance (82.3%)
- Downloading large files (71.0%)
- Uploading large files (64.9%)
- Sales / e-commerce (58.9%)
- Online business tools, i.e. supply chain management / bookkeeping / file conversion (50.8%)

Table 12: Technical functions that businesses require broadband for

Technical functions that businesses require broadband for	% respondents
Email	97.2%
Website updating and maintenance	82.3%
Downloading large files	71.0%
Uploading large files	64.9%
Sales / e-commerce	58.9%
Online business tools, i.e. supply chain management / bookkeeping / file conversion	50.8%
Remote data storage and backup	40.3%
Internet telephone service	35.5%
Cloud computing (files and applications online)	34.3%
Video conferencing	26.2%
'Other'	2.4%
None of these	0.4%

Businesses were asked how improvement to their broadband service (e.g. speed, reliability) would benefit their business. Table 13 below provides the results, showing that over half of businesses responding to the survey perceived that an improved broadband service would bring the following benefits:

- More effective communication (73.8%)
- Improved business productivity (73.0%)
- Improve competitive advantage (50.8%)
- Ability to create more flexible working arrangements, i.e. remote working (50.4%)

Table 13: Perceived business benefits that could be achieved by improvement to broadband service

Perceived business benefits	% respondents
More effective communication	73.8%
Improved business productivity	73.0%
Improve competitive advantage	50.8%
Ability to create more flexible working arrangements, i.e. remote working	50.4%
Reduced operational costs	48.8%
Increased sales	47.6%
More efficient procurement process	42.5%
Better access to e-learning	37.1%
Reduced requirement for specialist IT skills	17.3%
'Other'	3.6%
Don't know	2.0%
No perceived benefits	1.2%

Respondents to the survey were asked if their business used any other types of internet connection, other than the connection they were using to complete the survey. Table 14 shows the results.

Table 14: Other types of internet connection used by businesses

Other types of internet connection	% respondents
Mobile phone or dongle (3G)	34.7%
Wi-fi- via a hotspot (not your own wireless system)	15.3%
Broadband via phone line (ADSL)	13.7%
Mobile phone or dongle (not 3G)	9.7%
Other	6.5%
Don't know	5.2%
Dial-up or ISDN via phone line	2.0%
Satellite broadband	1.2%
High-speed leased line (T1 / T3)	1.2%
Cable / fibre optic internet	0.8%

Respondents to the survey were asked how much their business paid per month for broadband. The responses are recorded in Table 15 below:

Table 15: Amount paid (£s) by businesses for broadband service per month

Amount paid for broadband per month*	% respondents
£0.00-£10.99	2.0%
£11.00-£20.99	24.25%
£21.00-£30.99	23.0%
£31.00-£40.99	13.7%
More than £40.99	13.3%
Unknown / no response	23.8%

Notes: Please note, some businesses provided price per month for overall phone line package.

Respondents to the survey were asked what speed of broadband access they were currently paying for. Table 16 below provides the responses:

Table 16: Speed of broadband access being paid for

Speed of broadband access being paid for	% respondents
0 MB	0.4%
0.01-2.00 MB	4.0%
2.01-5.00 MB	2.4%
5.01-10.00 MB	35.9%
10.01-24.00 MB	16.1%
24.01-40.00 MB	0.4%
40.01-80.00 MB	0.0%
>80.00 MB	1.2%
Unknown / no response	39.5%

Table 17 below shows problems reported by businesses with their current broadband service. Over half of respondents to the survey reported that they experienced the following problems:
- Problems with speed at different times of the day (67.3%)

- Problems with maximum speed (58.1%)
- Problems with reliability (dropping out / being disconnected) (53.2%)

Table 17: Problems with current broadband service

Problems with current broadband service	% respondents
Problems with speed at different times of day	67.3%
Problems with maximum speed	58.1%
Problems with reliability (dropping out / being disconnected)	53.2%
Problems of multiple users using limited capacity (bandwidth)	33.9%
No problems	8.9%
'Other'	5.6%

Respondents to the survey were asked how satisfied they were with a number of aspects of their broadband service. Table 18 provides a matrix of the results, which shows that over a quarter of businesses were dissatisfied with the following aspects of their broadband service:
- Consistency of speed (63.0%)
- Quality of service (40.0%)
- Choice of broadband suppliers in their area (34.4%)
- Quality of technical support (28.7%)
- Monthly cost (26.9%)

Table 18: Level of satisfaction with various aspects of broadband service (%)

	Very satisfied	Fairly satisfied	Neutral	Fairly dissatisfied	Very dissatisfied	Don't know
One-time installation cost	23.5	28.8	34.5	3.1	4.9	5.3
Ease of installation	25.2	36.5	26.1	3.9	3.5	4.8
Monthly cost	6.3	28.7	35.0	17.5	9.4	3.1
Return on investment in broadband	11.0	26.0	37.4	12.3	8.4	4.8
Consistency of speed	2.6	14.7	18.1	31.5	31.5	1.7
Quality of service	4.8	23.5	30.4	20.9	19.1	1.3
Quality of technical support	8.3	23.9	32.6	12.2	16.5	6.5
Choice of broadband suppliers in your area	2.6	10.7	41.2	14.2	20.2	11.2