



Millward Brown IMS



Commission for
Communications Regulation

SME & Corporate ICT Research H1 2008

January '08 – February '08

Presentation of Findings

By:



Millward Brown IMS

May 2008

Presentation Outline

2

- Research Objectives & Methodology
- Key Findings
- Voice Market
- Data Market



Research Objective & Methodology

3

- The main purpose of the research is to gain an in-depth understanding of ICT usage and attitudes to ICTs among a representative sample of Irish SMEs and large Corporate businesses.
- Telephone interviews were conducted among a sample of 524 SMEs and 50 Corporates.
- Representative quota controls set for industry sector and company size.
- Interviews were held with the person in the company responsible for decision-making in relation to telecommunication and IT services.
- Fieldwork: 29th of January and the 20th of February 2008.
- Comparisons with previous research conducted in 2005 and 2006 are made where relevant.
- The next wave of Business research will be published October 2008.



Key Findings

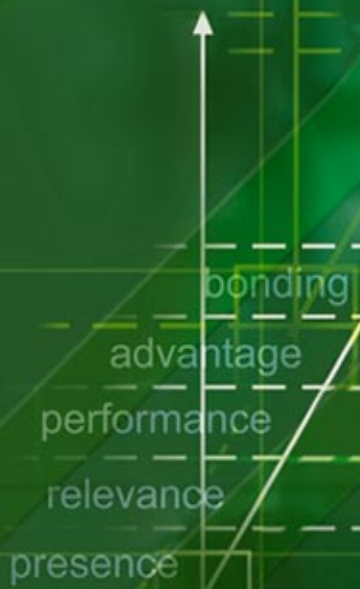
- Increase in use of alternative fixed line providers
- Increase in incidence of difficulties experienced in relation to the quality of mobile voice services
- High awareness of new EU regulations on mobile roaming charges but continued low levels of satisfaction with roaming charges
- Increased use of fixed line broadband at the expense of dial-up and ISDN
- Good levels of satisfaction with broadband speeds but low levels of awareness of contracted speeds
- High level of up-take of mobile broadband and good levels of satisfaction with mobile broadband coverage and speeds
- Growing level of mobile data service usage combined with high ratings of its value to business
- Growing awareness and usage of VoIP





Millward Brown IMS

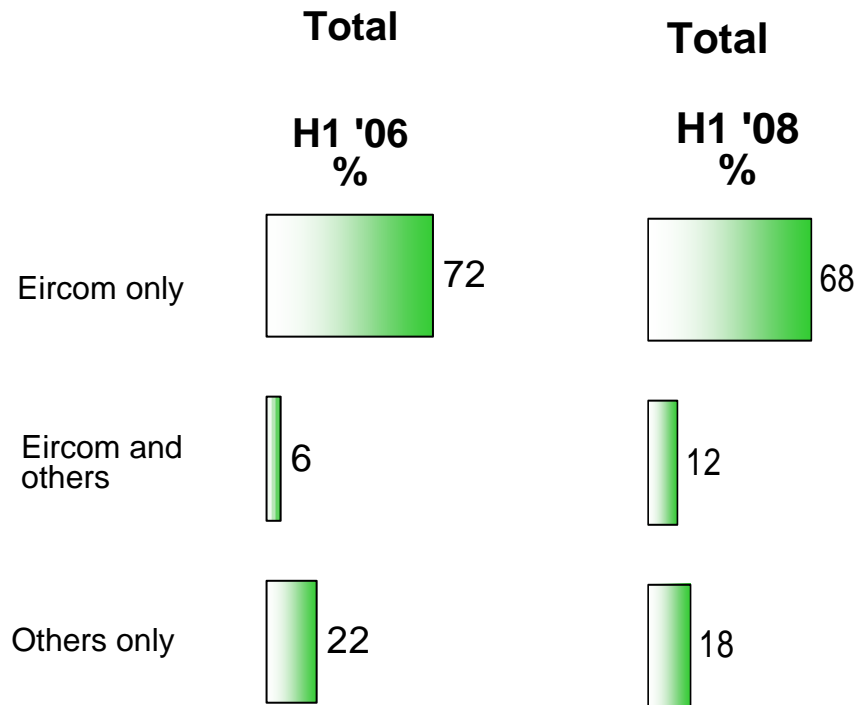
what+why=mb



Voice Services

Fixed Line Suppliers Used

Q. Which fixed line phone services provider does your company use for its voice calls?

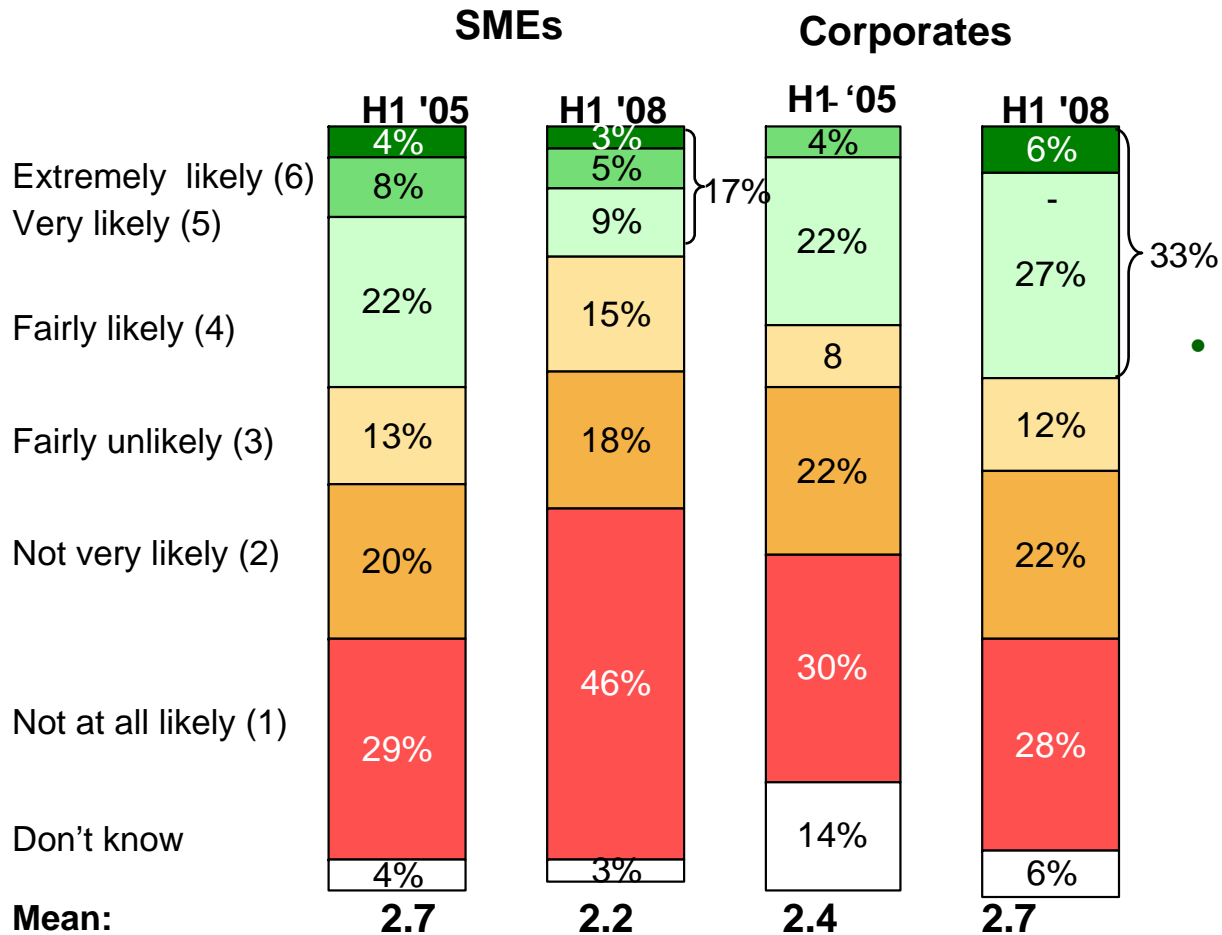


- Eircom maintains its position as the main provider of fixed line services.
- Compared to two years ago the percentage relying only on eircom has declined and the percentage using eircom combined with other providers has increased.



Likelihood of Switching to Another Fixed Line Service Provider

Q. How likely are you to switch to another fixed line phone services provider in the next 12 months?



- Corporates (33%) are more likely to switch fixed line phone supplier than SMEs (17%), and their propensity to switch has increased in the past 3 years, while SMEs have become less inclined to switch.

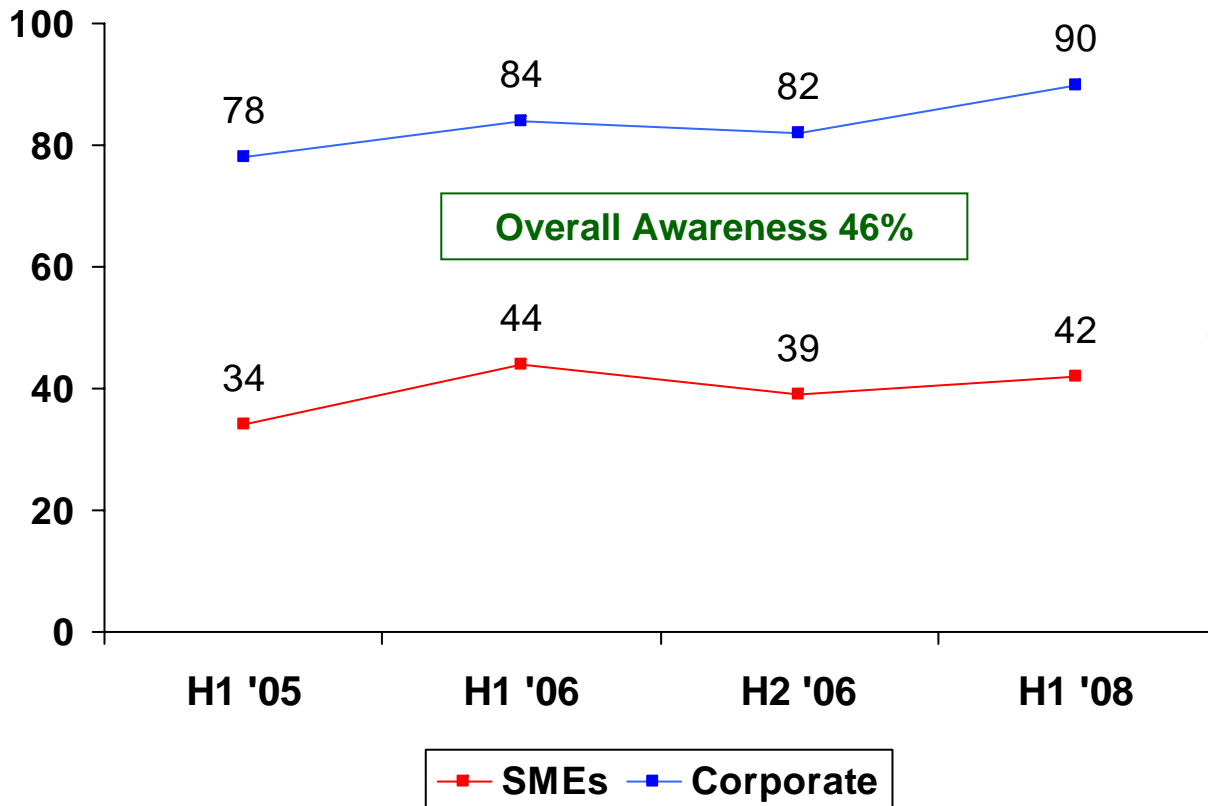
Base: All Respondents (n=524, 50)



Millward Brown IMS

Increasing Awareness of VoIP

Q. Have you heard of a service called Voice Over IP also known as 'VoIP'?



- Awareness of VoIP has increased among all businesses, with 90% of Corporates and 42% of SMEs claiming to be aware of it.
- At an overall level combining SMEs and Corporates, almost half of all respondents (46%) were aware of VoIP

Note: Question Not Asked in H2 '05

Base: All Respondents (n=524, 50)

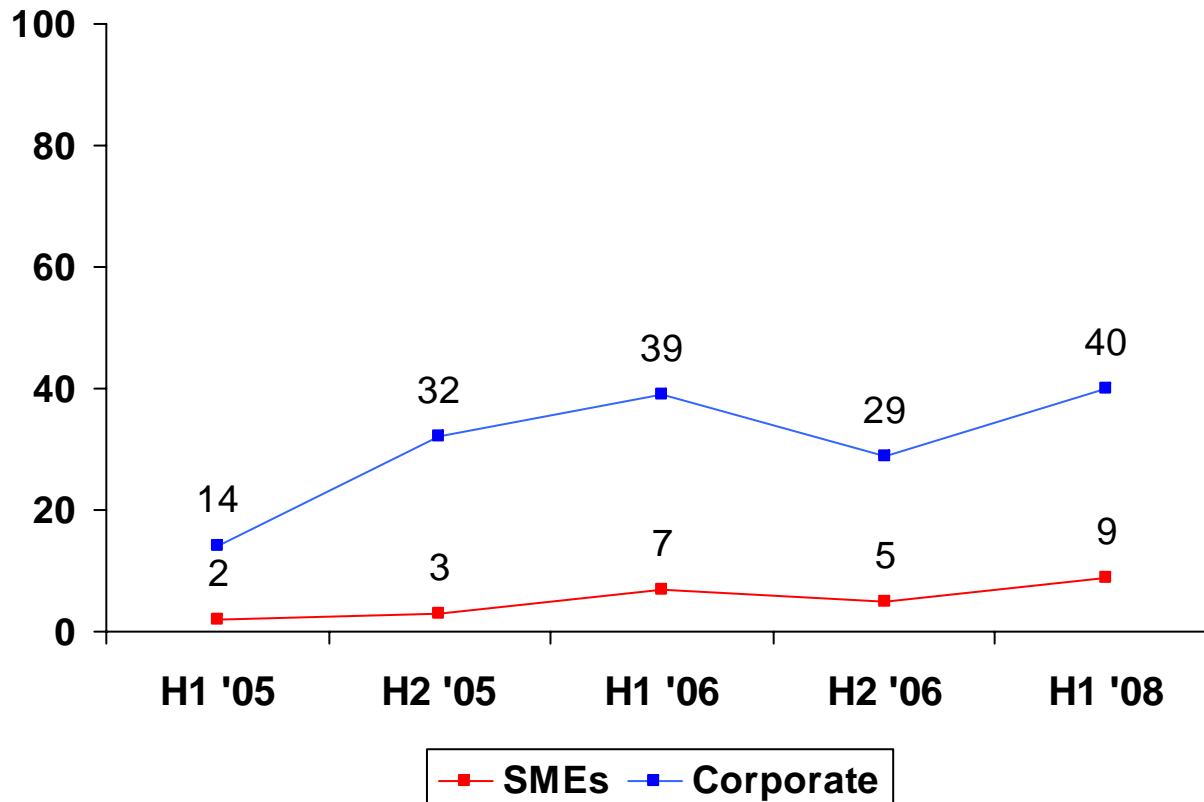
Note: In H1 05 and H2 06 Base: All Businesses With Internet Access



Millward Brown IMS

Growth in VOIP Usage

Q. Is your company currently using Voice over IP (or VoIP) services?



- Those businesses with broadband connections of 2Mbit/s+ are most likely to be using VoIP services.
- Growth in VoIP usage is very likely with 20% of SMEs and 29% of Corporates claiming they are likely to start using VoIP in the next 12 months

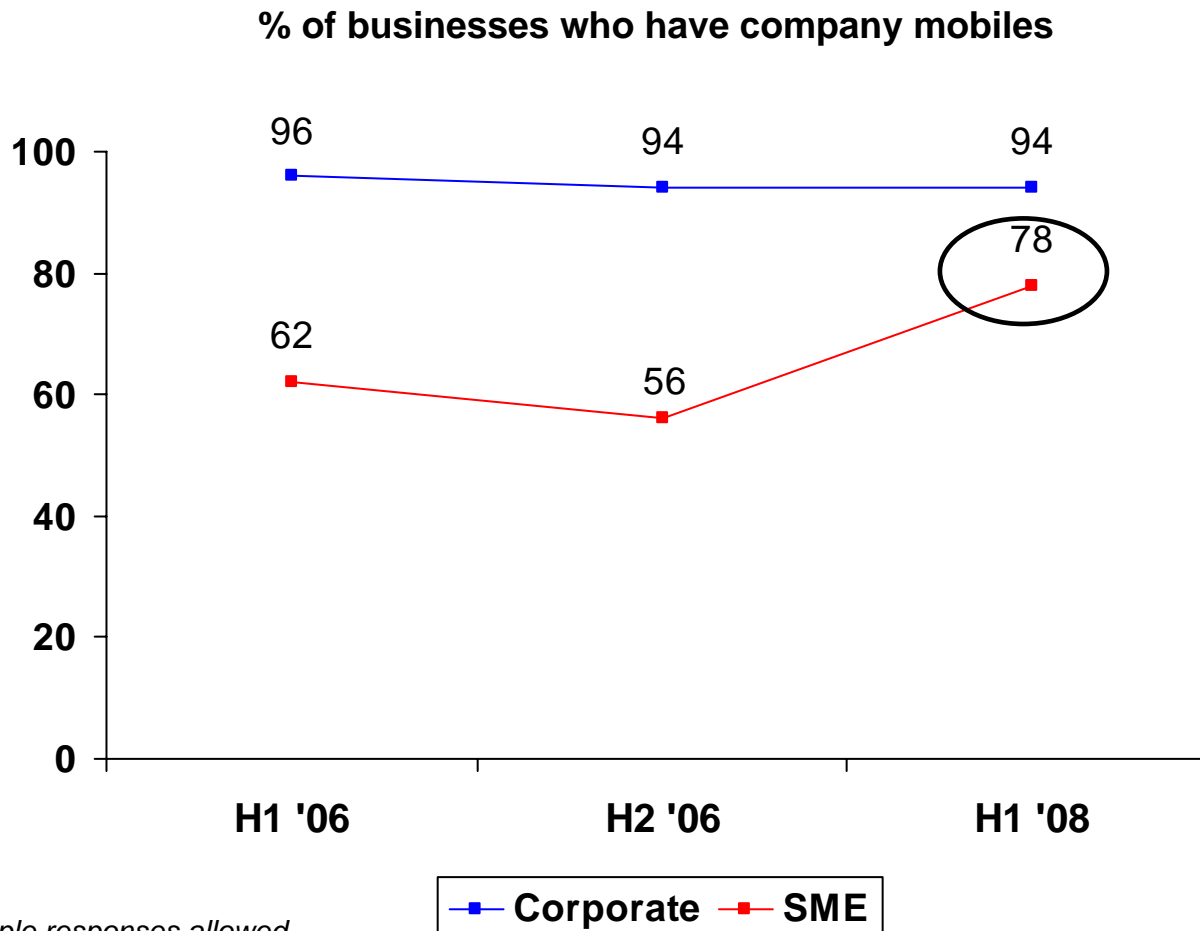
Base: All Respondents (n=524, 50)



Millward Brown IMS

High level of Business Mobile Use

Q. Does your company supply business mobile phones to employees?



- Nearly 4 in 5 SMEs, and almost all Corporates now supply mobile phones to some employees.
- Businesses operating in the hotel/restaurant sector are least likely to supply company mobile phones.

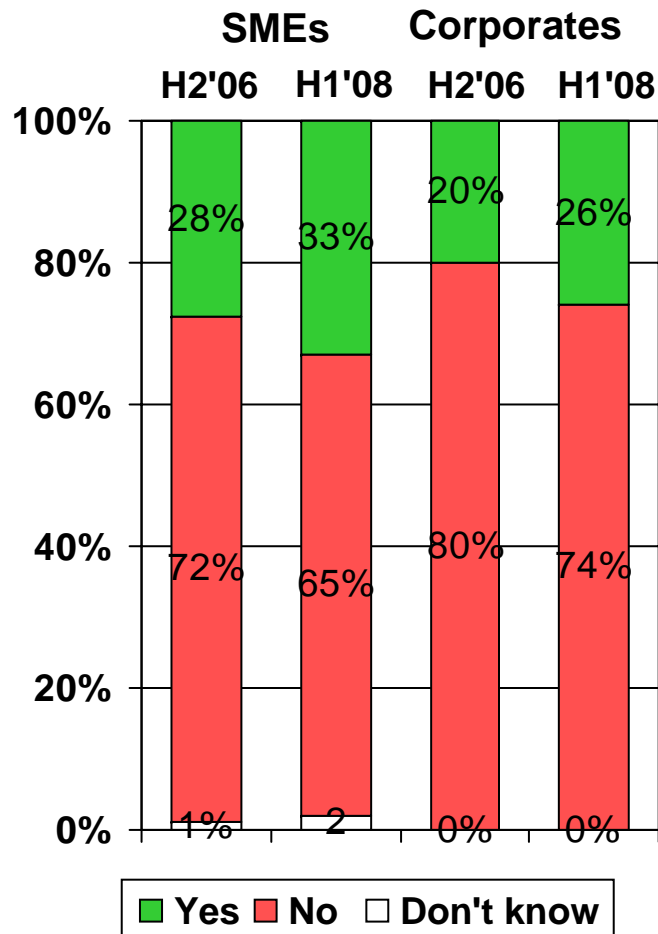
Base: All Respondents (n=524, 50)



Millward Brown IMS

Incidence of Experiencing Mobile Voice Service and Coverage Difficulties

Q. Have you experienced any difficulties in relation to the quality of voice service or voice coverage from your **mobile operator** in the past 12 months?



- Nearly one in three (32%) of those using a mobile phone have experienced difficulties in terms of the quality of voice service/ coverage over the past 12 months.
- Those based in Munster (39%), and Leinster excluding Dublin (35%) are most likely to have experienced difficulties.

Note: Question wording changed slightly this wave, but still comparable

Base: All Who Supply Company Mobile Phones and Identify their Suppliers (n=410, 49)

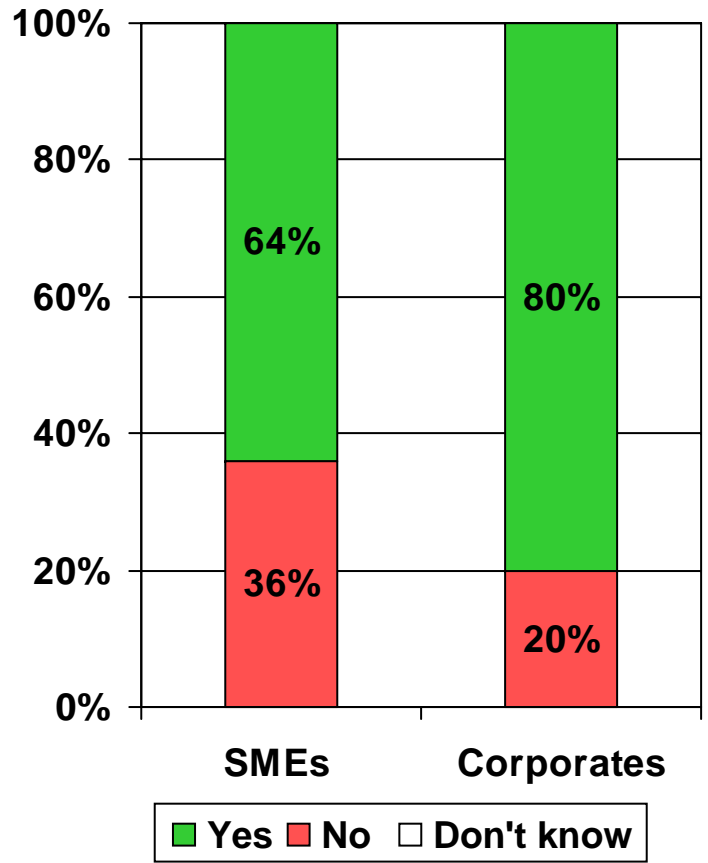


Millward Brown IMS

Awareness of Reduced Roaming Charges

New

Q. Are you aware of the reduced roaming charges when using your mobile phone within the 27 EU states which are a result of a recent EU regulation?



- About 50% of SMEs and Corporates use business mobiles abroad.
- There is a high level of awareness among businesses of reduced roaming charges due to recent EU regulation, with about two thirds (66%) overall claiming awareness.

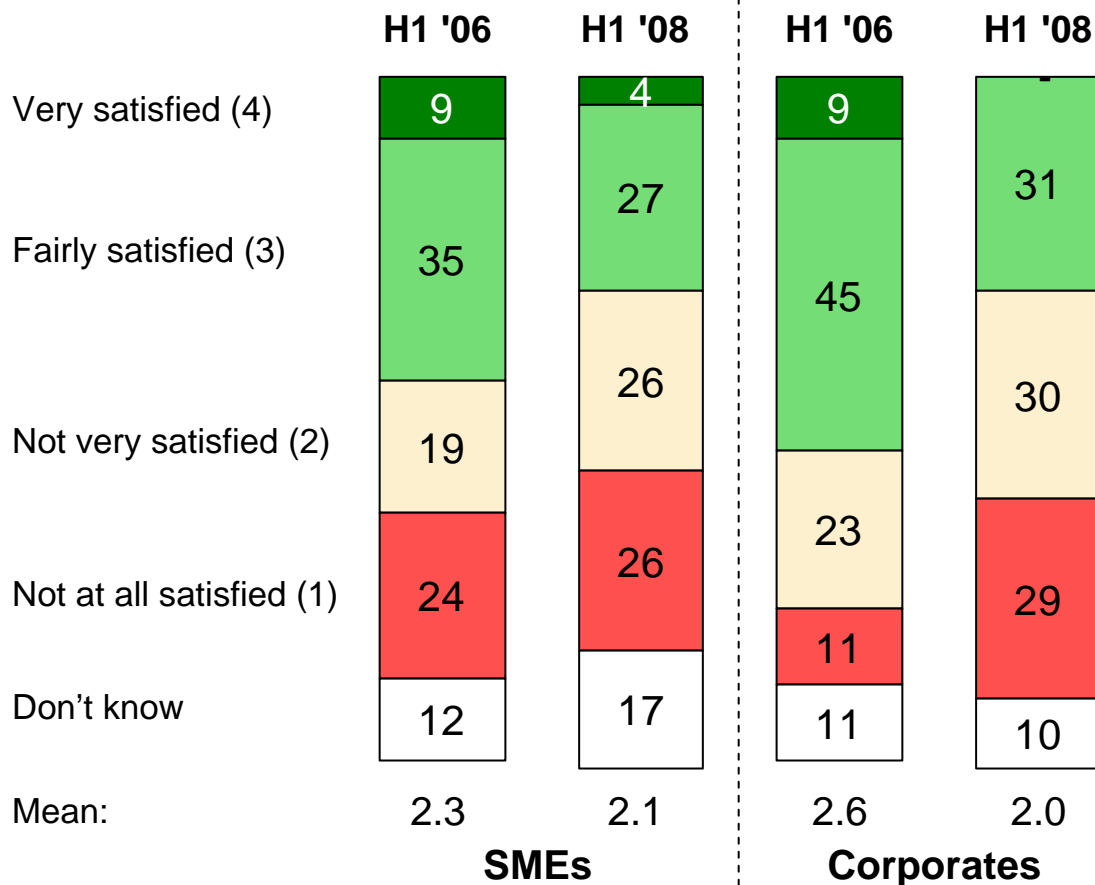
Base: All who use company Mobile Phones abroad (n=252, 41)



Millward Brown IMS

Satisfaction with Current Roaming Charges

Q. How satisfied are you with the current cost of “roaming charges” your company pays when company mobiles are used abroad?



- Levels of satisfaction with the current cost of roaming charges have decreased since 2006, and are at similar levels for both SME and Corporate businesses.
- While respondents were not specifically asked about data roaming rates, an increase in dissatisfaction with roaming rates may potentially be due to increased use of data services while roaming e.g. mobile broadband, where mandated reduction of rates have not been made.
- It is possible that given the focus by the EU on roaming rates, there may be increased levels of awareness of the issue by companies.

Base: All who use the company mobile phones abroad (n=252, 41)





Millward Brown IMS

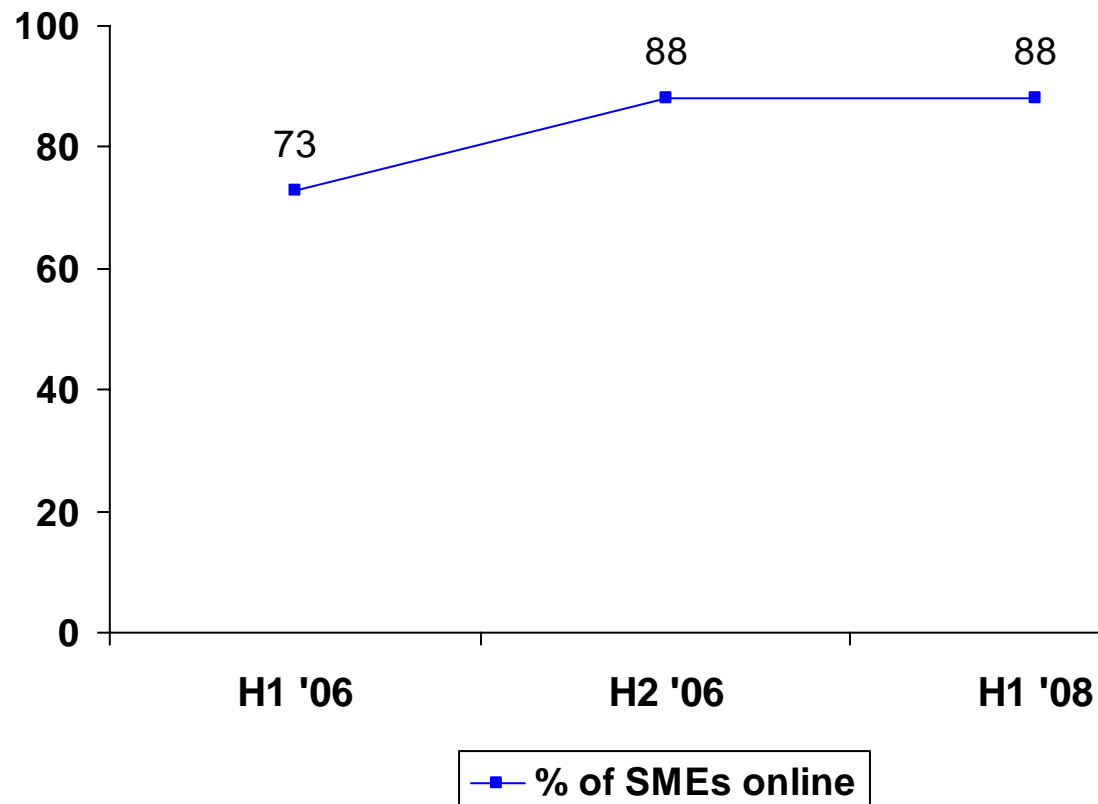
what+why=mb

Data

bonding
advantage
performance
relevance
presence

Increase in Internet Penetration

Q. Is your company connected to the Internet?

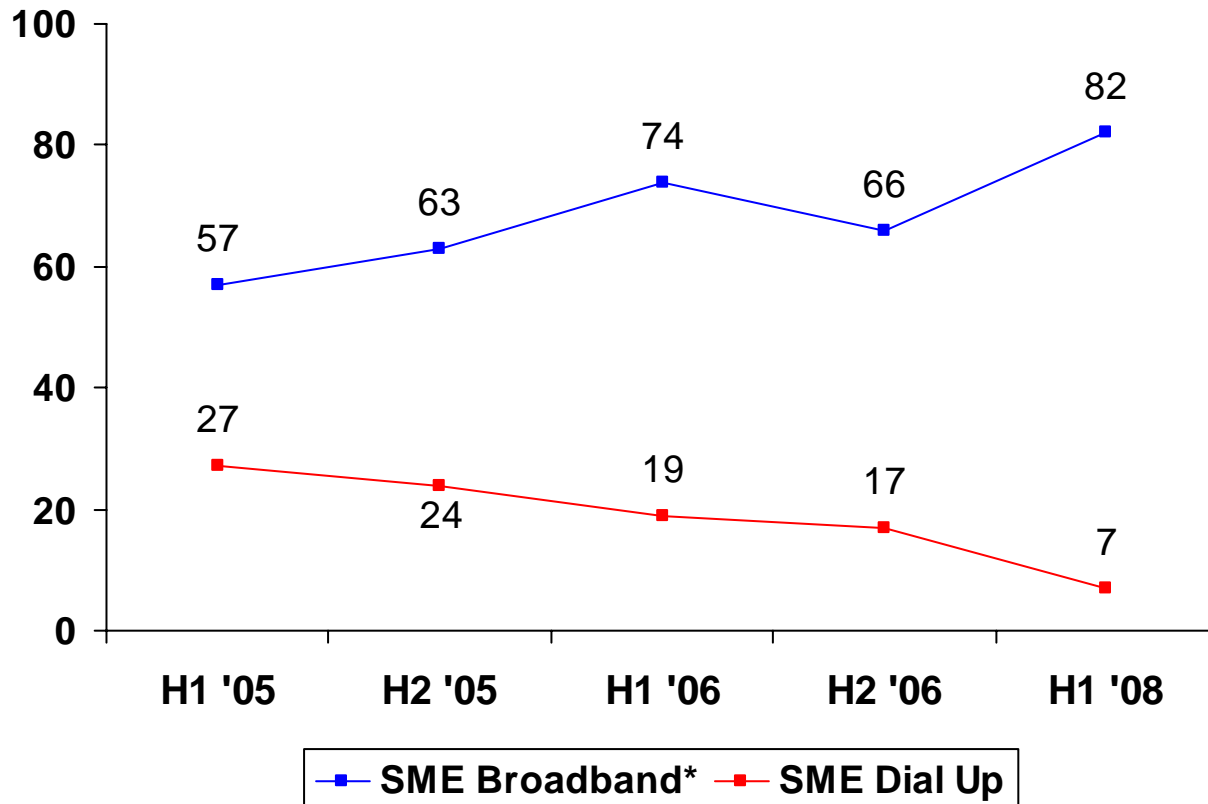


- Overall, 88% of SMEs have Internet access and almost all (98%) of Corporates do.
- Of the small number who don't have Internet access, about a third claim they have no need for it, 1 in 8 feel the Internet is not appropriate for their business, and a further 1 in 10 feel their company is too small to warrant an Internet connection.



Increase in Broadband Usage

Q. What type of Internet connection does your company use?



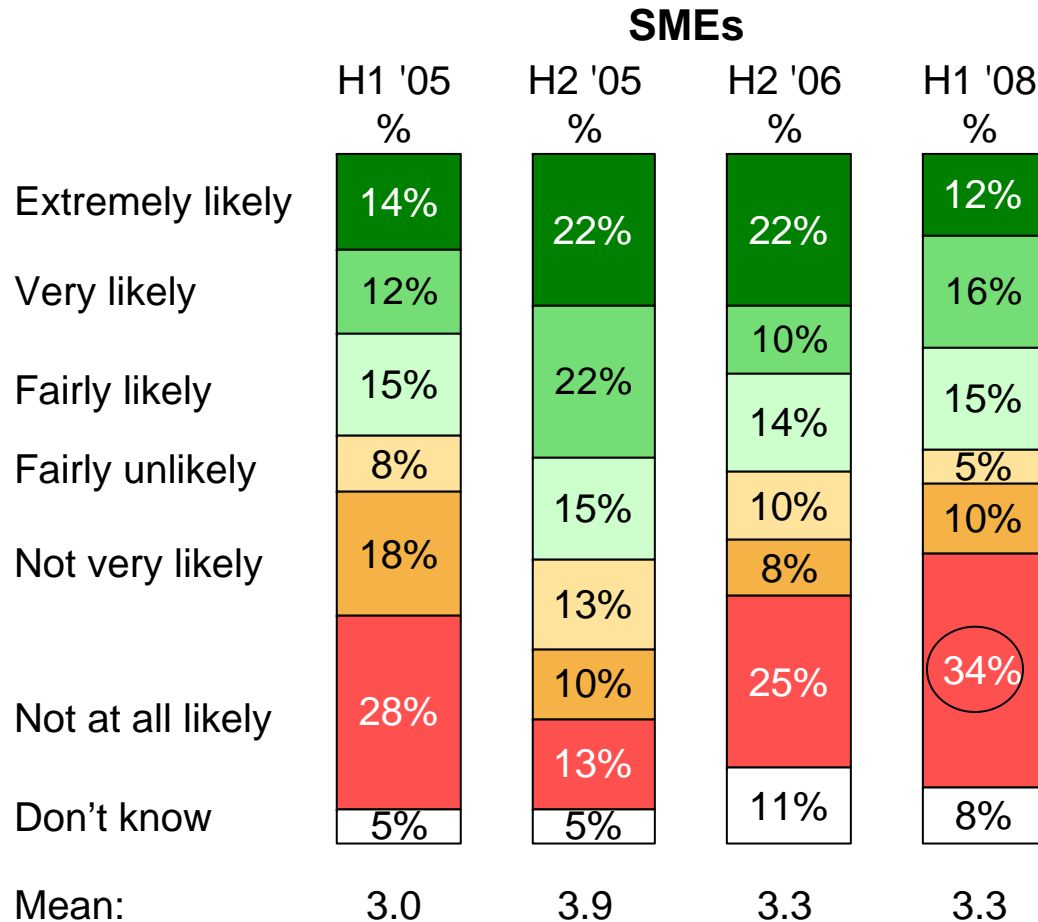
- There has been a marked decrease in the number of SMEs relying on dial-up connections, combined with a sharp increase in broadband usage.

* Includes DSL, Wireless, satellite, leased line



Likelihood of Connecting to Broadband

Q. How likely is your company to get a broadband connection in the next 12 months?



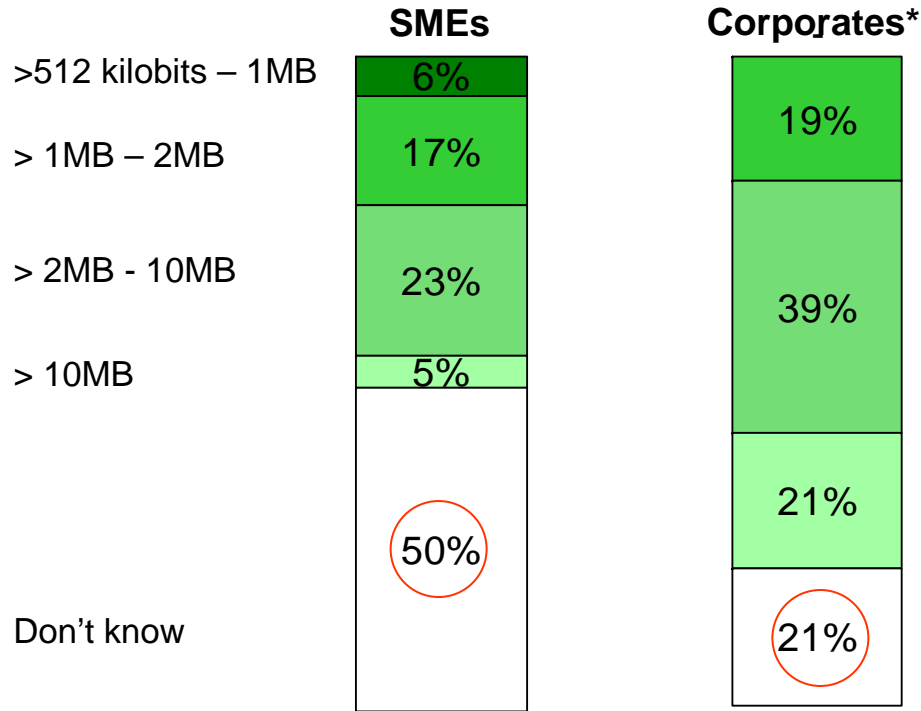
- Among SMEs currently not using broadband or not connected to the Internet, one in three now feel it is not at all likely that they will do so in the future.
- This would suggest that there is a segment of businesses more difficult to target as broadband could be seen as less relevant for their business.
- It is important to note that as broadband penetration increases the addressable market for broadband decreases.

Base: All SME businesses using dial-up and ISDN and those who do not use the Internet at all (n=110)

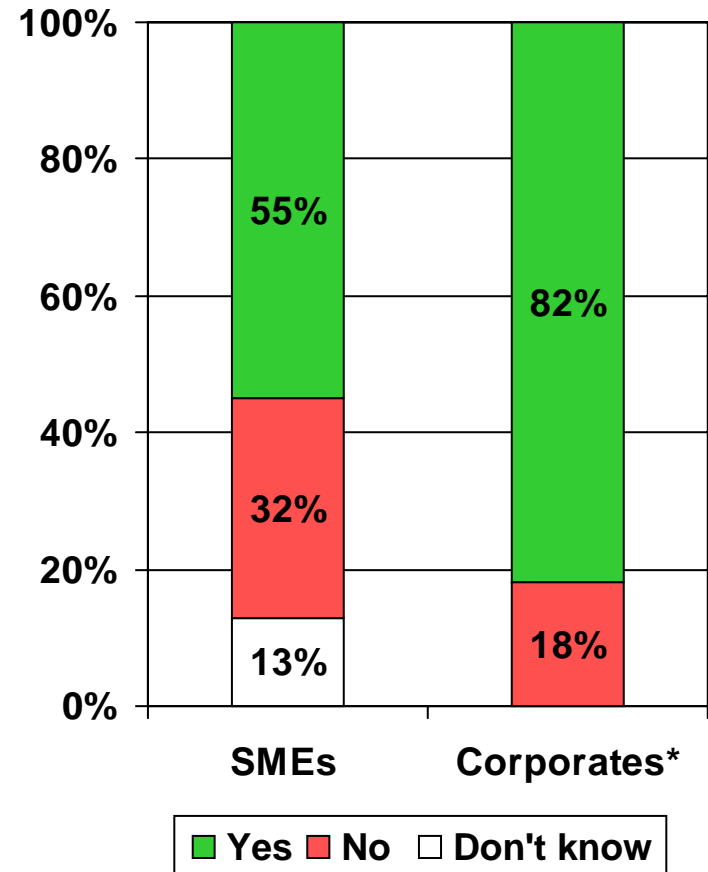


Stated Download Speeds Received

Q. What stated download speed does your Internet supplier contract to provide to your company?



Q. Do you believe that your company is getting the download speeds stated in your Internet package?



*Caution: Small base size

*Caution: Small base size

Base: All with broadband connection only (n=374, 38*)

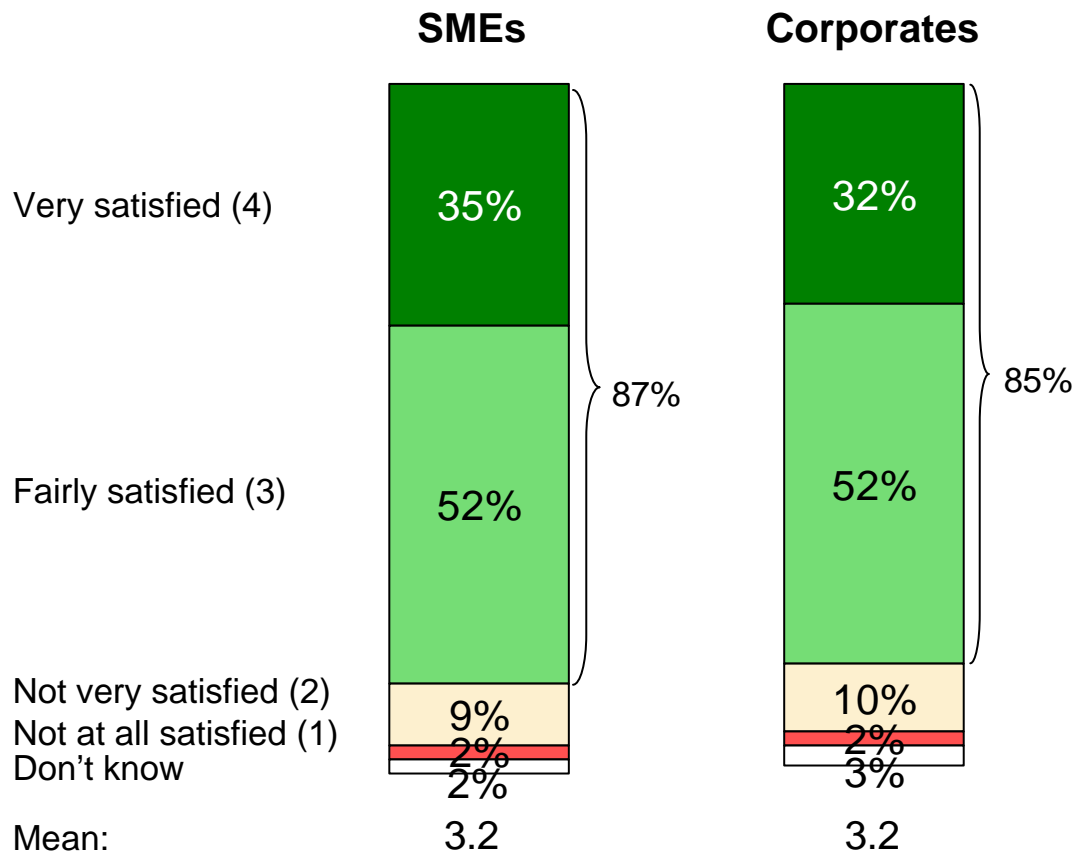
Base: All with broadband connection only, aware of download speeds (n=187, 30*)



Millward Brown IMS

Satisfaction with Download Speeds received

Q. How satisfied are you with the download speeds your company experiences with your Internet provider?



- While the majority of businesses are generally unaware of what download speeds they get, most still register satisfaction (86% overall) with the speeds that they are receiving.
- Satisfaction with download speeds seems higher among Leinster based companies (93%) but lower among Munster based companies (83%).
- Over half (54%) believed a **symmetrical broadband** service was important to their business.

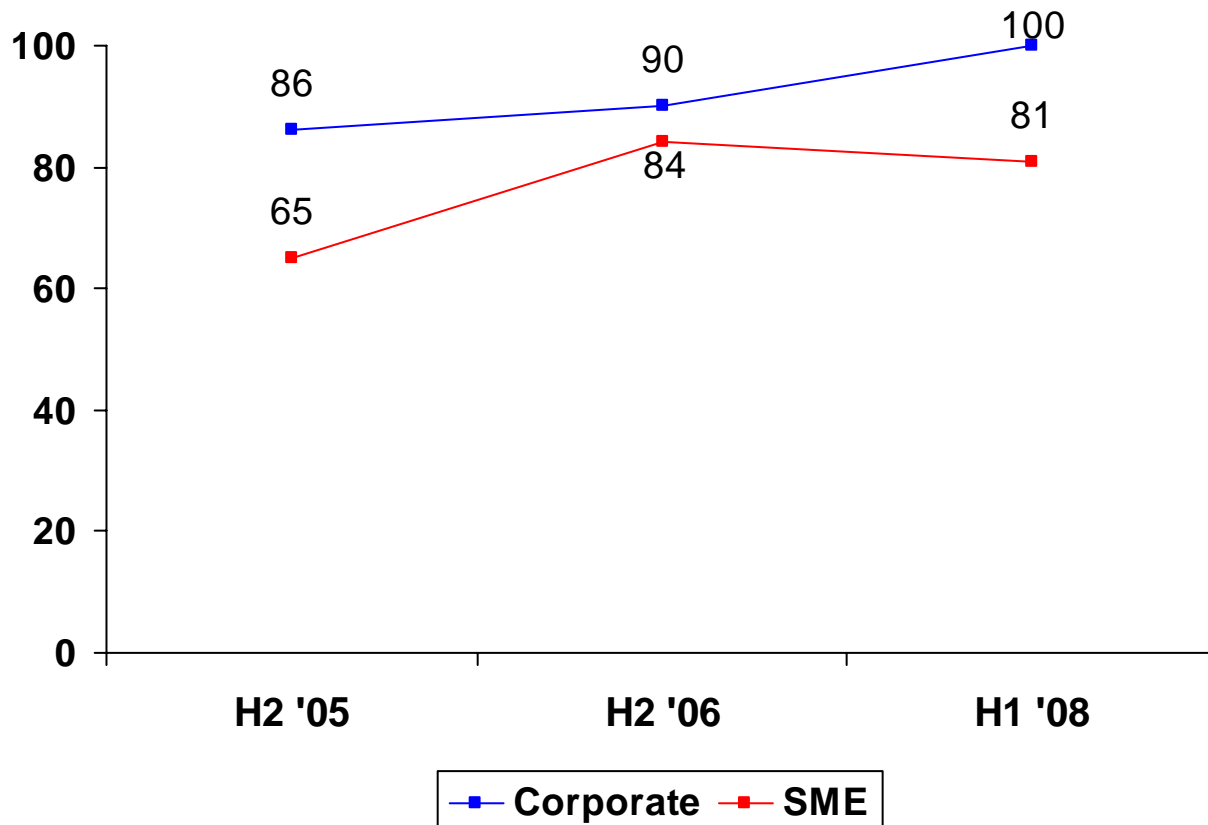
*Caution: Small base size

Base: All broadband only users excl. HSDPA only users (n=369,38*)



High level of Mobile Data Service Usage

Q. Does your company use any of the following mobile data services?



- Data services include SMS, MMS, mobile email and mobile Internet.
- 84% of Corporates are using mobile email up from 53% in H2 2005.
- 24% of SMEs are using mobile Internet up from 11% in H2 2005.
- When asked to rate how useful mobile data services are in conducting business, 47% award a score of at least 8 out of 10.

Base: All Who Supply Company Mobile Phones
and Identify their Suppliers (n=410, 49)

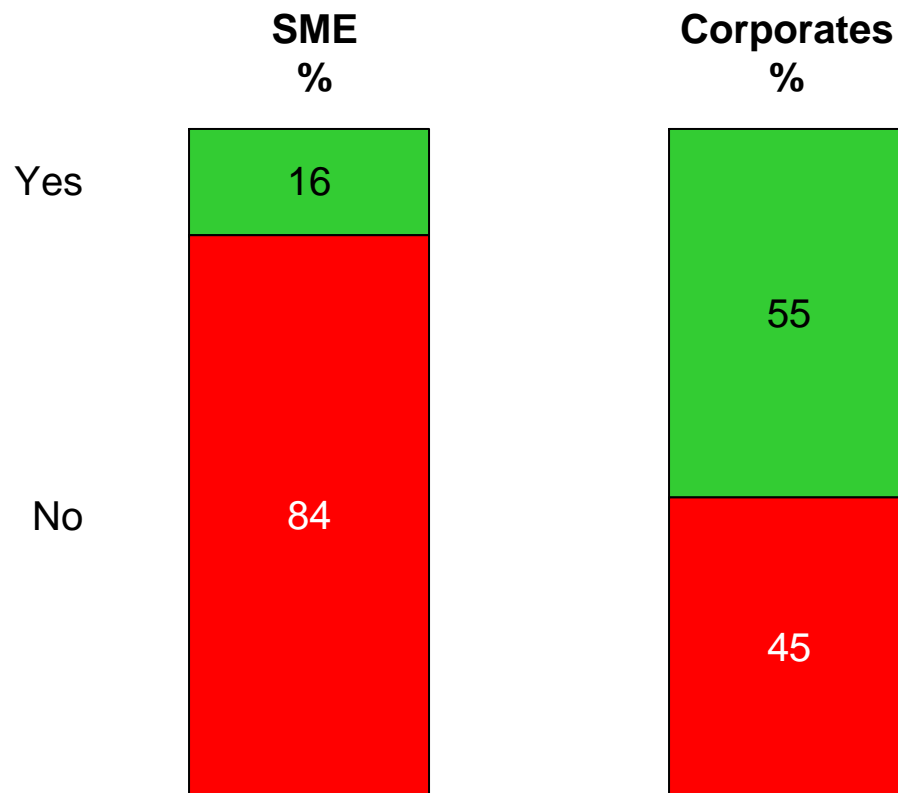


Millward Brown IMS

Use of Mobile Broadband (HSDPA)

Q. Does your company currently provide any of the following mobile data devices to any of its employees?

% using Mobile broadband (with modem)



- This is the first time HSDPA has been monitored and strong take-up is evident, especially among Corporates.
- HSDPA is the highest ranked mobile data device used among SMEs (at 16%).
- 9% of SMEs and 57% of Corporates were also found to be using 3G datacards.

Base: All Who Supply Company Mobile Phones
And can Identify their Suppliers (n=410, 49)



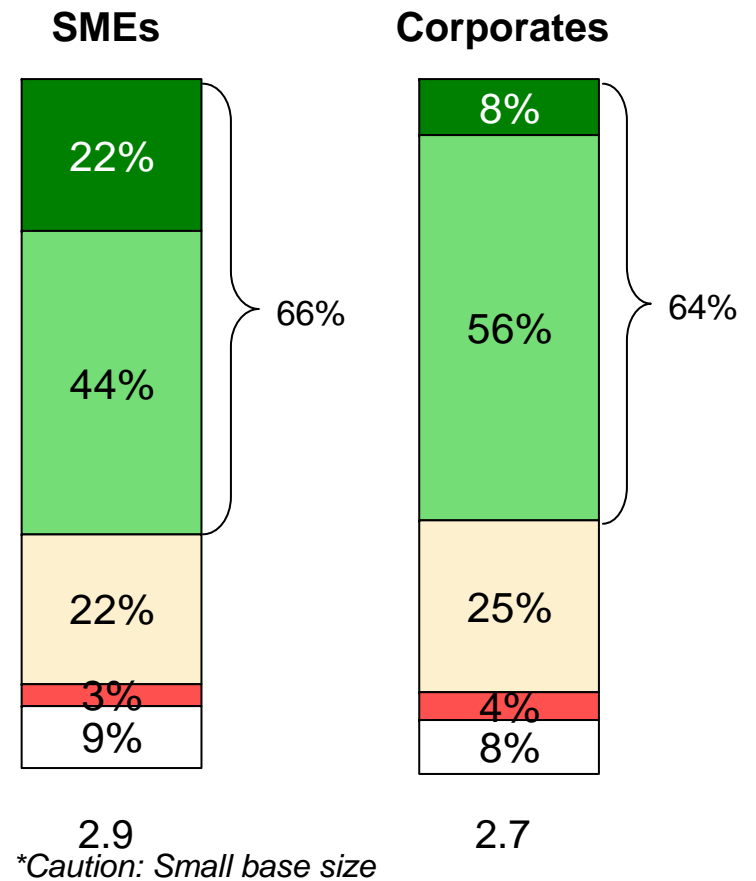
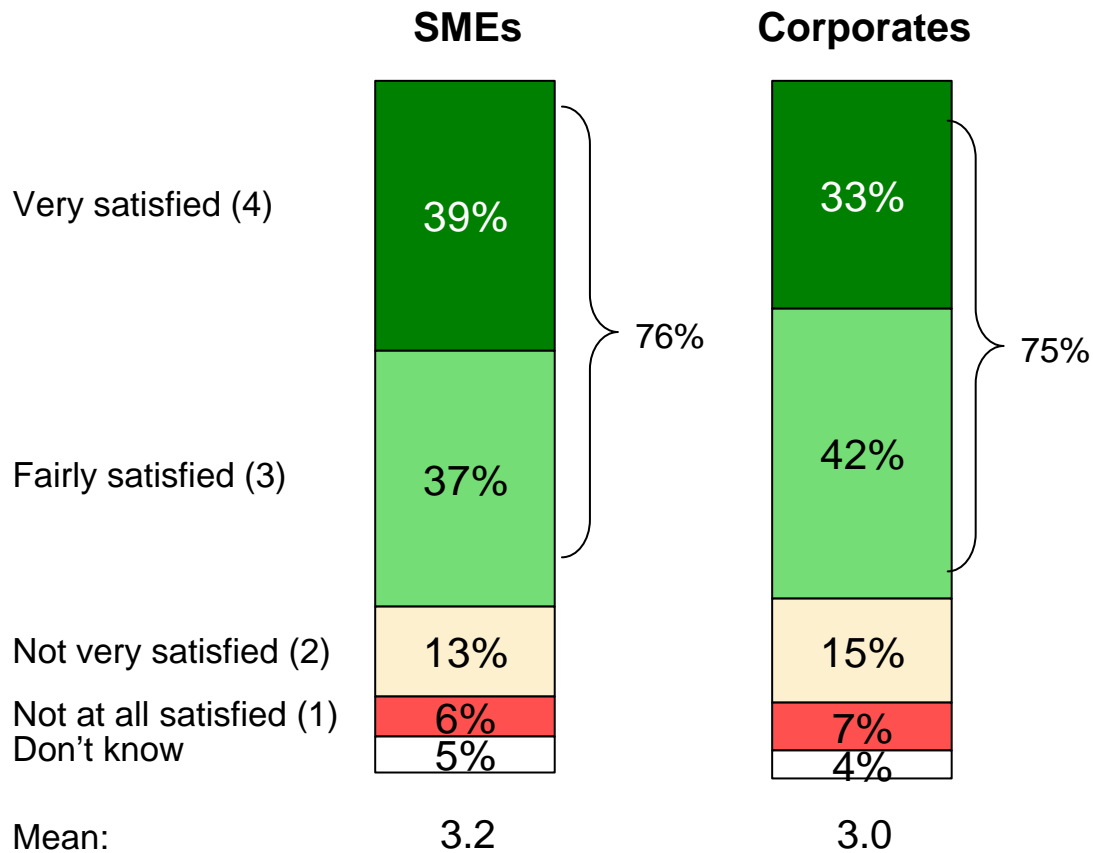
Millward Brown IMS

Satisfaction with HSDPA service

New

Q. How satisfied are you with the geographic coverage your company gets on its mobile broadband (HSDPA) service?

Q. How satisfied are you with the download speed your company gets on its mobile broadband (HSDPA) service?



Base: All using HSDPA Services (n=64,27*)

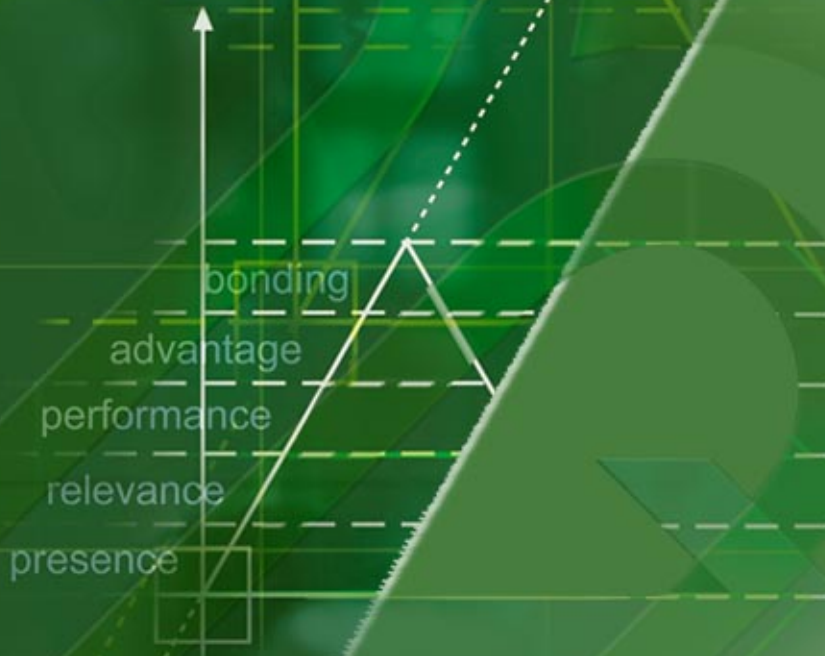


Millward Brown IMS



Millward Brown IMS

what+why=mb



Questions?

Bettina MacCarvill
Deputy Managing Director
Millward Brown IMS
Millbank House
Arkle Road, Sandyford
Dublin 18
Tel: +353 1 2974500