



Commission for
Communications Regulation

SME & Corporate ICT Research H1 2009

A Review of Findings
by



Millward Brown IMS

May 2009

Presentation Outline

- **Introduction**
 - Research Objectives
 - Methodology
 - Sample profile

- **Research Findings**
 - Fixed line market
 - Mobile market
 - Internet and Broadband communications

- **Key Findings**

- **Appendix: Sample Details**



Commission for
Communications Regulation

Introduction

www.comreg.ie

Presentation Outline



- This is the seventh wave of a business market tracking research programme being undertaken on behalf of ComReg by Millward Brown IMS, the most recent being conducted between October and November 2008. There was no research conducted by MBIMS in 2007.
- The main purpose of the research is to gain an in-depth understanding of current information and communication technology (ICT) usage and attitudes to ICTs among a representative sample of Irish SMEs and large Corporate businesses.
- The specific areas explored in this wave of research included:
 - Fixed line market
 - Mobile market
 - Internet and broadband communications
- The survey findings are used by ComReg for market understanding, future planning and policy formulation, and public dissemination.

Presentation Outline



- Telephone interviews were conducted among a sample of 502 SMEs and 53 Corporates. SMEs were defined as companies with less than 100 employees.
- Quota controls set for company size were based on the total number of employees each company size segment accounts for. Representative quota controls were also set for industry sector.
- Large Corporates were defined as companies employing 100 or more employees. Quota controls were set to ensure that 50% of the sample employed 100-299 employees, and 50% of the sample employed 300+ people. Representative quota controls were also set for industry sector.
- Where the final profile of respondents differed slightly to the quota controls originally set, minor weighting adjustments were made.
- Margin of error is +/-4.2% at 95% confidence at the 50% reporting level.
- Interviews were held with the person in the company responsible for decision-making in relation to telecommunication and IT services.
- The fieldwork was conducted between the 12th March – 16th April 2009
- Where applicable, comparisons have been made with the results of previous research

When the Research was Conducted



Commission for
Communications Regulation

Dates	Period
May – June 2005	H1 '05
November 2005	H2 '05
May – June 2006	H1 '06
November 2006 – January 2007	H2 '06
January – February 2008	H1 '08
October – November 2008	H2 '08
March – April 2009	H1 '09 (This Period)



Commission for
Communications Regulation

Research Findings

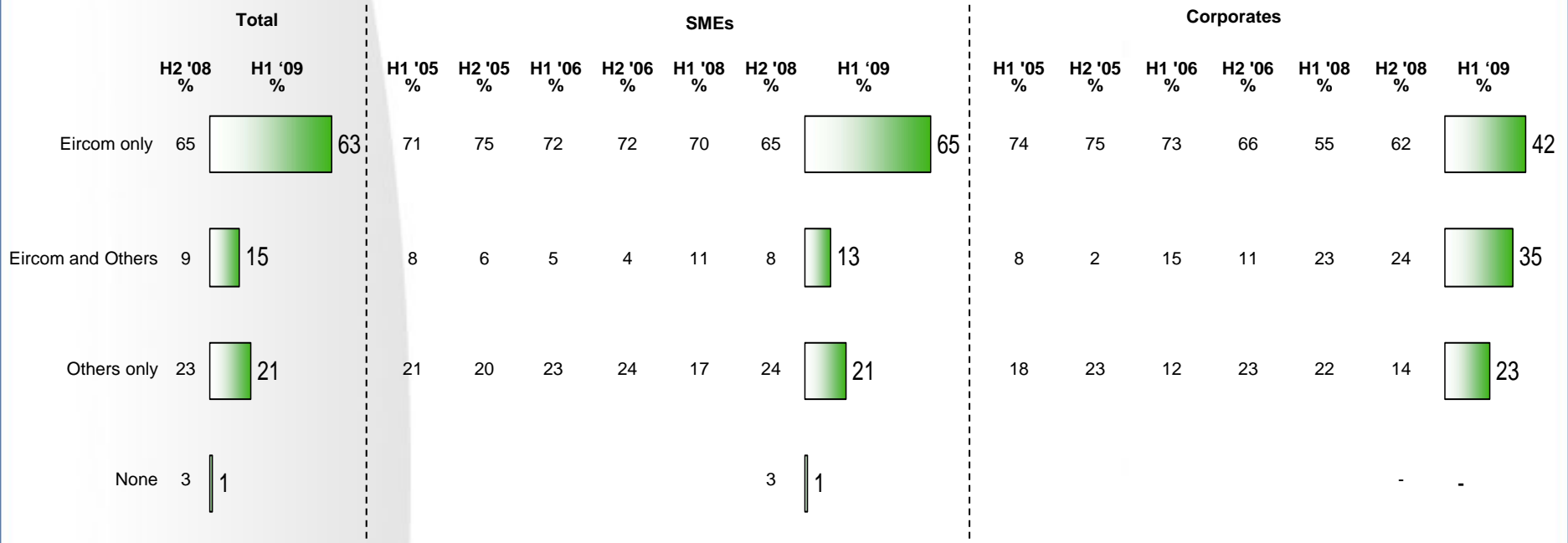


Commission for
Communications Regulation

Fixed Line Market

Fixed Line Suppliers Used

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

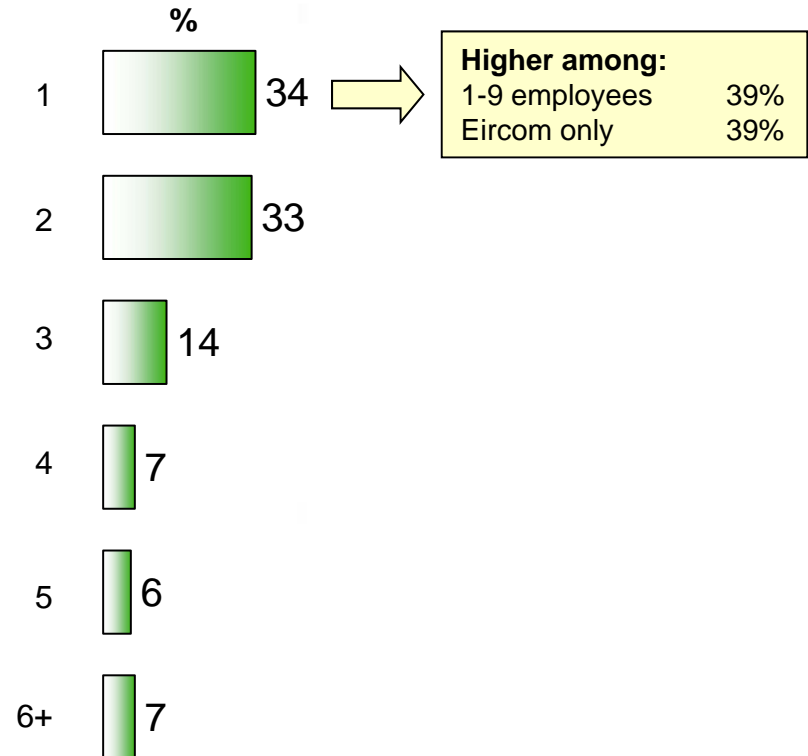
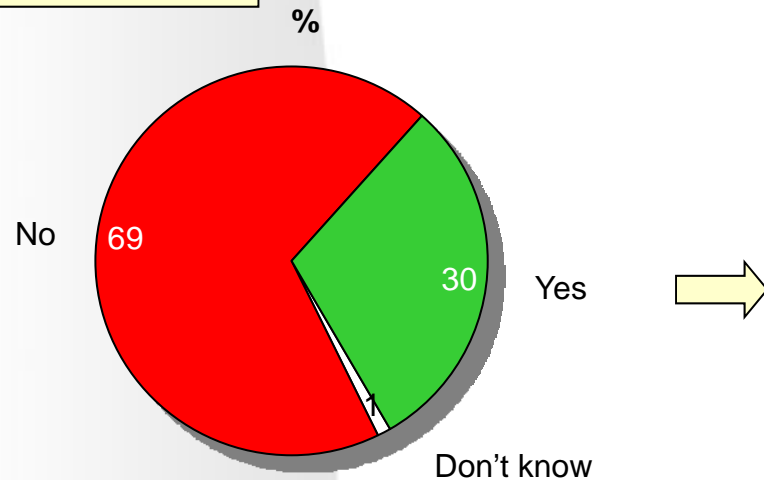


- The number of SMEs using Eircom only has remained constant this wave, and there appears more of a propensity for SMEs to have a combination of providers.
- While the majority of Corporate businesses use Eircom only, there has been a drop in this occurrence with over a third (35%) now using Eircom and other providers, and nearly one in four (23%) using a supplier other than Eircom.
- Those businesses using a provider other than Eircom are more likely to be operating in the financial services sector (34%), or based in Dublin (24%) and Munster (25%), or those businesses who use VoIP (27%)

Network Related Fault

- Q. Have you experienced what you would consider a Network- related fault with your fixed line in the past 12 months?
Q. How many of these faults have been reported in that period?

Yes	
SME	29%
Corporates	46%



- Just less than a third (30%) of those businesses with a fixed line claim to have experienced a network-related fault with their fixed line in the past 12 months. This is higher among Corporate users (46%) and business in Connaught/Ulster (40%).

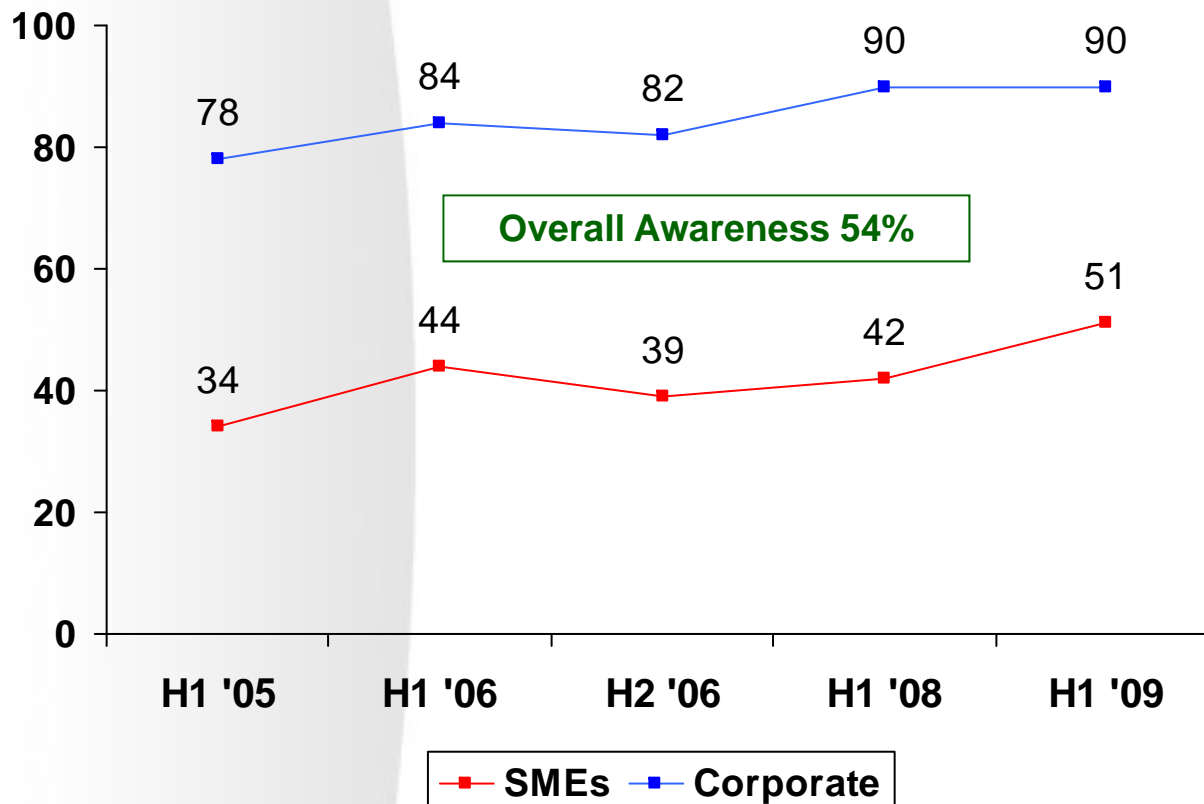
- Over 2 in 3 (67%) businesses who reported a fault, reported between 1 and 2 faults.

Base: All with fixed line phones (n=496,53)

All who experienced network related fault (n=143,24)

Awareness of VoIP

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



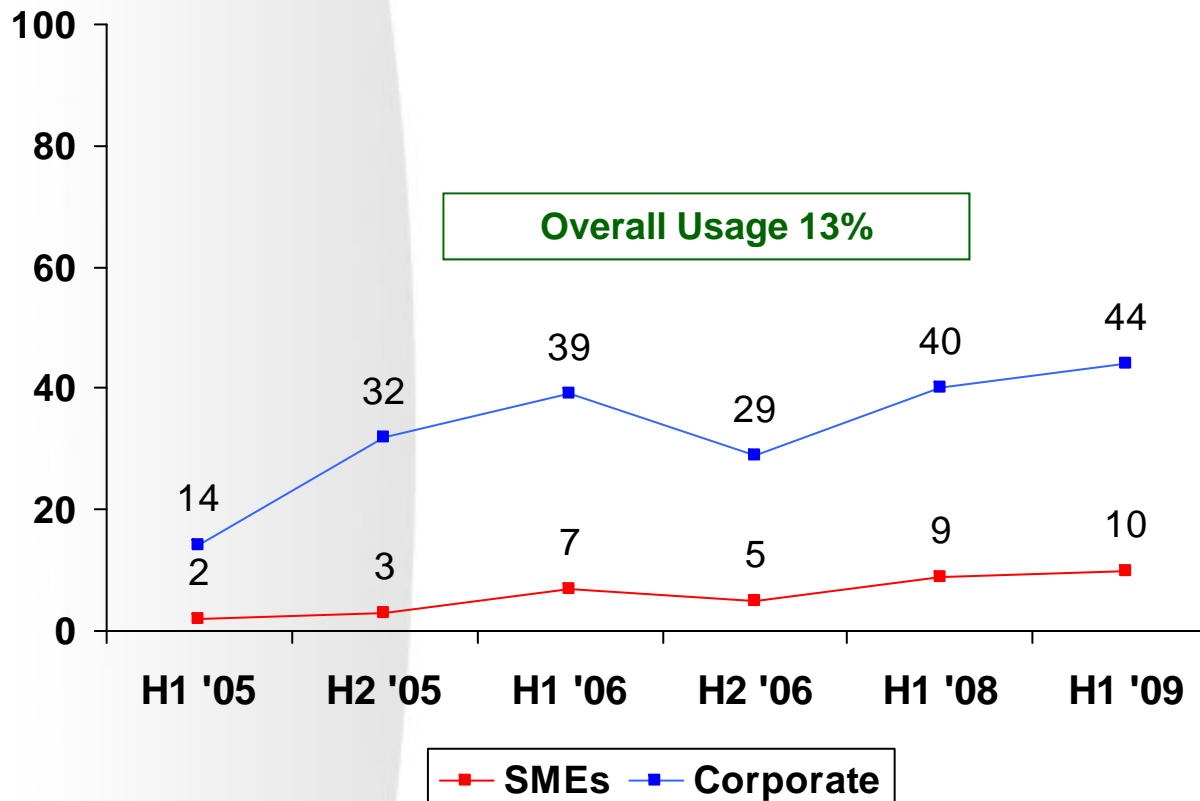
- Awareness of VoIP has increased among SMEs, with over half (51%) of these business now claiming to be aware of it.

- At an overall level combining SMEs and Corporates, well over half of all respondents (54%) were aware of VoIP; an increase from 46% in H1 '08.

Base: All Respondents with fixed line (n=496,53)

Growth in VOIP Usage

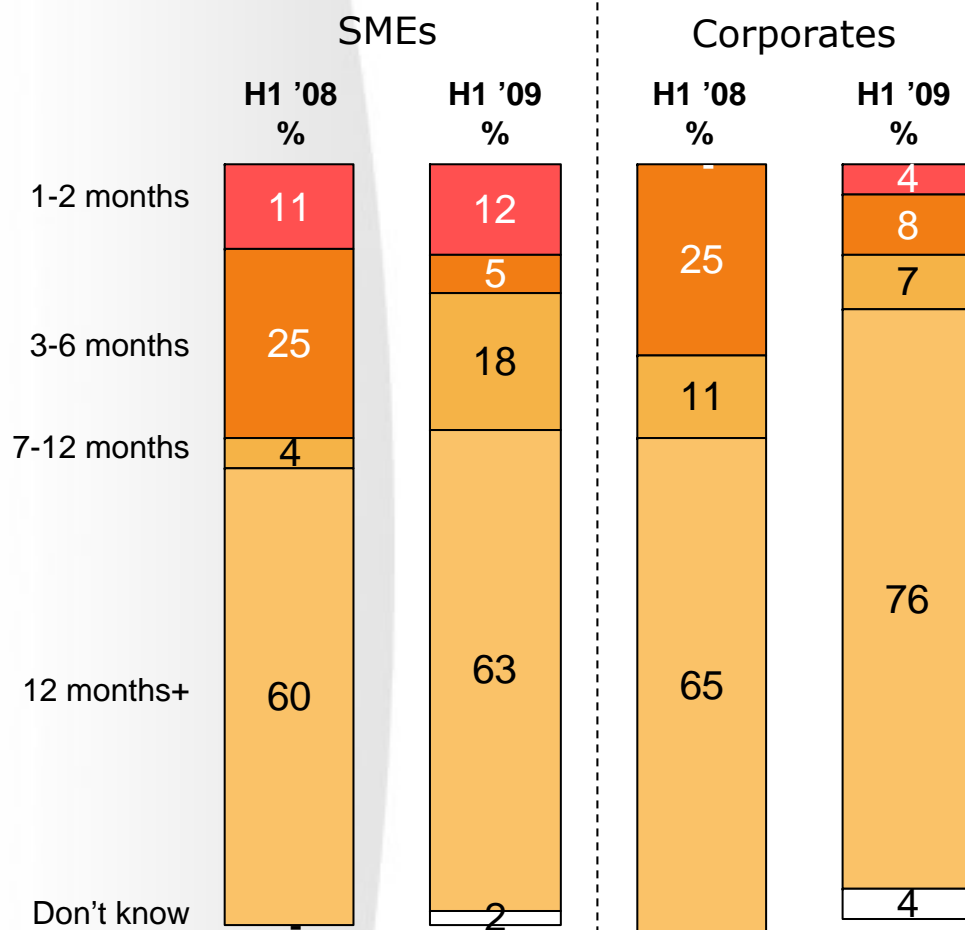
Q. Is your company currently using Voice over IP (or VoIP) services?



- At an overall level 13% of business in Ireland claim to use VoIP.
- Despite the increased level of awareness of VoIP among SMEs, there has not been much of an increase in those SMEs using this service, with only 1 in 10 (10%) doing so.
- In contrast, Corporate business use of VoIP has increased by 4 percentage points to 44%.

Length of Time Using VOIP

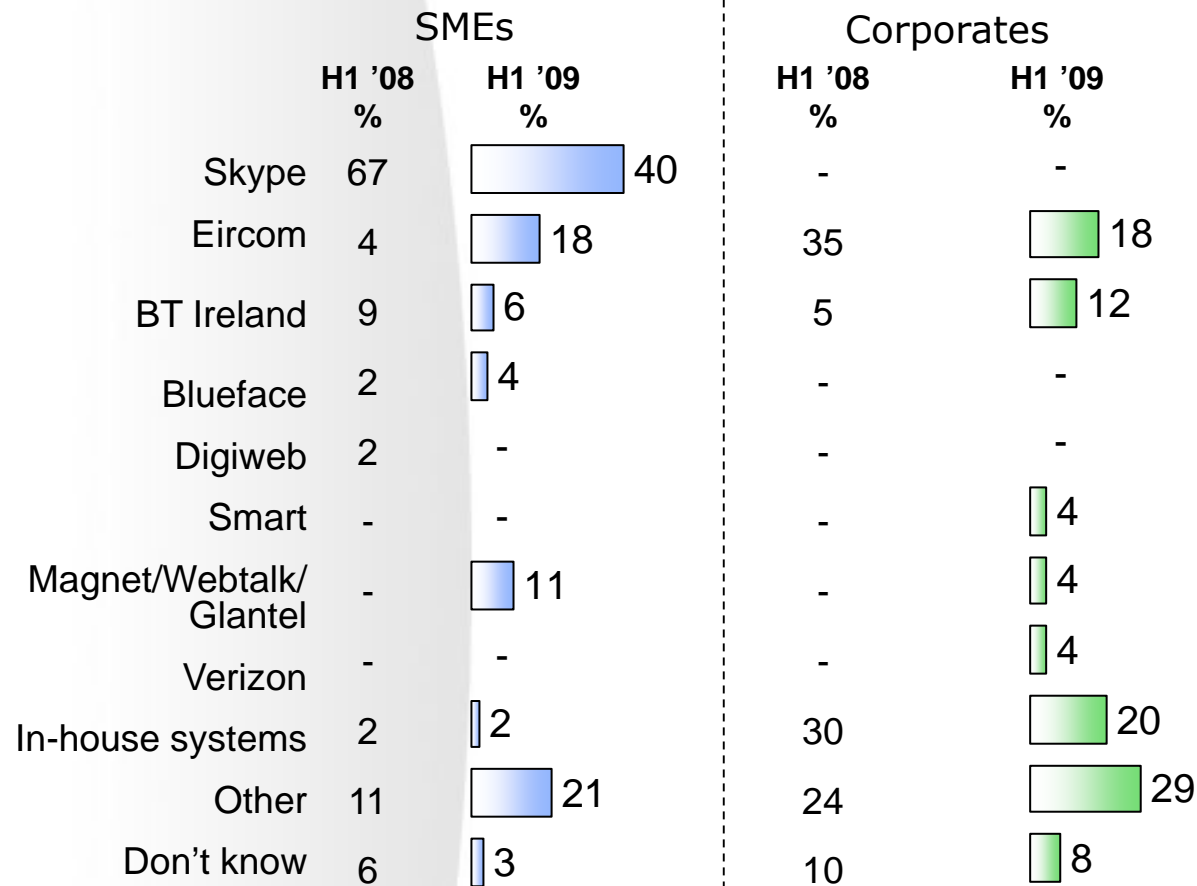
Q. How long has your company been using VoIP services?



- Of all companies using VoIP, the majority have been using it for over a year; most notably Corporates are more established users of VoIP, with three quarters (76%*) of these companies having used it for over a year.
- Less than 1 in 5 SME (17%) and 12% of Corporates are recent users of VoIP (started using in the last 6 months).

Current VOIP Suppliers

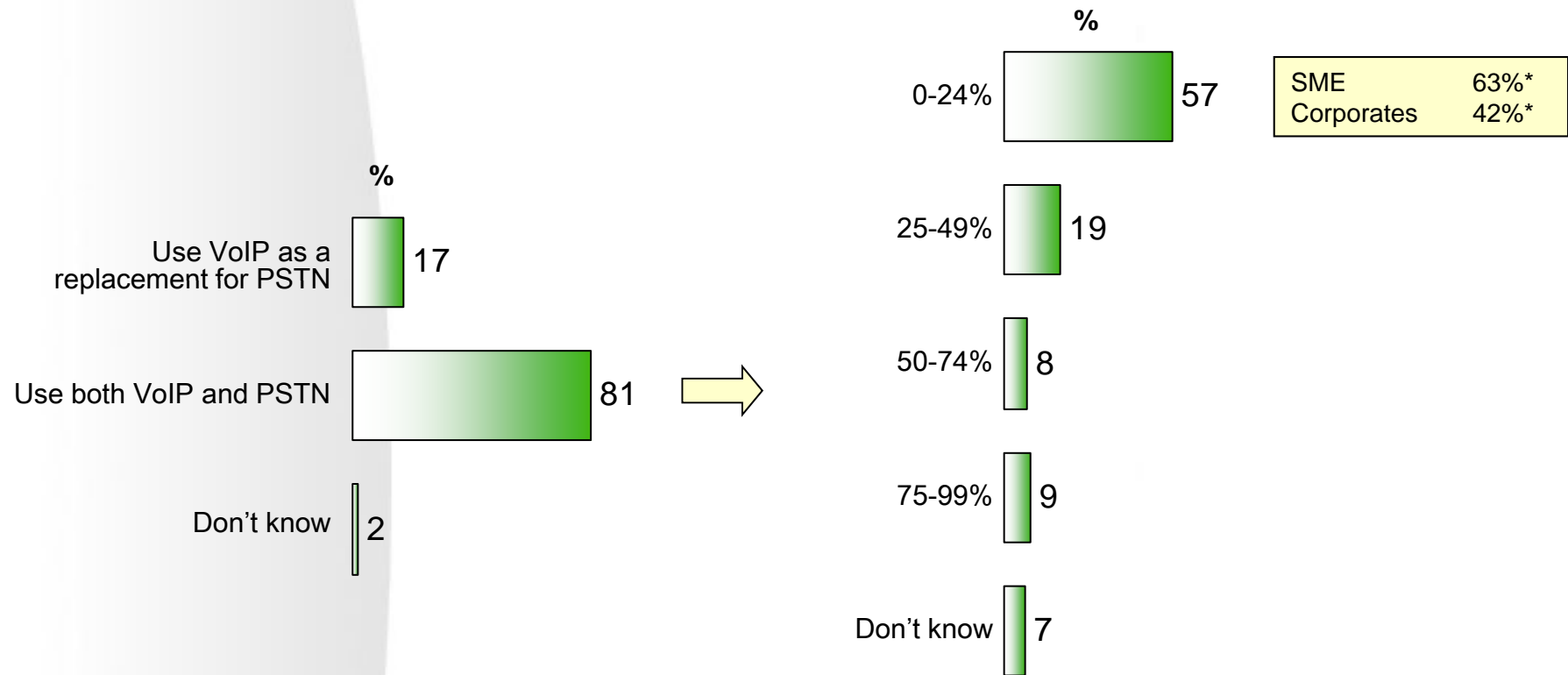
Q. Who supplies your VoIP services?



- Most SME businesses use Skype to make their VoIP calls. Skype provides an unmanaged service where calls are made over the internet rather than a private or managed network.
- Corporates are more likely to use in-house systems for their VoIP calls than SMEs.

VoIP: Complement or Replacement Service

- Q. Do you use VoIP as a replacement for PSTN / standard fixed line calls or as a complement to (i.e. in addition to) PSTN?
 Q. Can you estimate what percentage of calls are made over VoIP?



- Most business (81%) use VoIP as a complement to an existing PSTN services. This is higher among SMEs (86%)

- Of those using VoIP as a complementary service the majority (57%) claim that less than a quarter of their calls are made via VoIP

Base: All VoIP users (n=49*, 24*)

Base: All Using VoIP and PSTN (n=43*, 17*)



Commission for
Communications Regulation

Mobile Market

www.comreg.ie

Mobile Phone Market Share



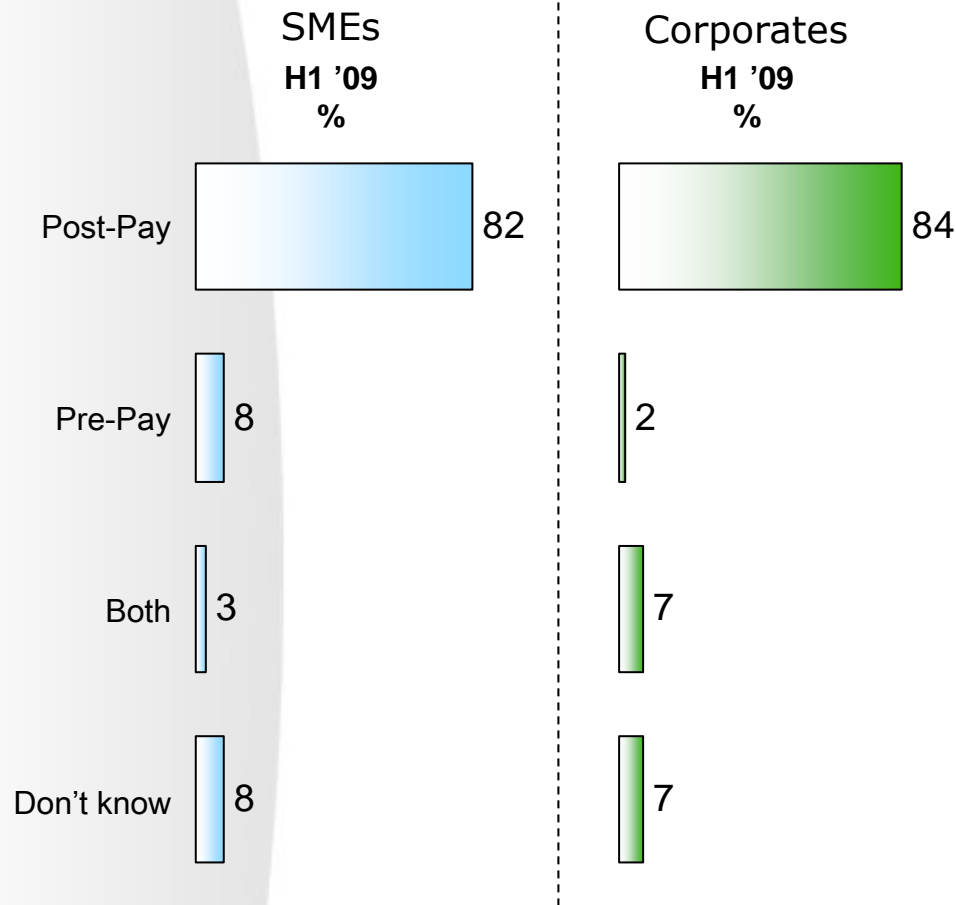
Q. What company supplies your mobile telephone calls?

	SMEs							Corporates						
	H1 '05	H2 '05	H1 '06	H2 '06	H1 '08	H2 '08	H1 '09	H1 '05	H2 '05	H1 '06	H2 '06	H1 '08	H2 '08	H1 '09
Vodafone	45%	41%	34%	31%	46%	47%	42%	54%	53%	70%	66%	66%	50%	67%
O ₂	36%	39%	28%	26%	34%	36%	37%	44%	47%	45%	28%	46%	58%	53%
Meteor	2%	2%	3%	2%	4%	3%	4%	2%	-	2%	4%	2%	2%	7%
3	-	-	-	-	1%	2%	1%	-	-	-	2%	-	2%	-
Eircom mobile	-	-	-	-	-	1%	2%	-	-	-	-	2%	2%	2%
Other	-	-	-	-	-	1%	1%	-	-	-	-	-	-	-
Don't know	2%	2%	2%	2%	1%	0	0	4%	2%	-	2%	4%	4%	-
No company mobile	23%	23%	38%	44%	22%	19%	21%	12%	11%	4%	6%	6%	6%	2%

- Just over 8 in 10 (81%) of all businesses in Ireland provide their employees with company mobile phones.
- Businesses with 10-49 employees (26%), those based in Munster (22%), and those without an Internet connection (27%) are less likely to provide business mobile phones to their employees.

Most businesses use Post Pay Mobile Phones

Q. Does your company supply pre-pay or post-pay mobile phones to employees?



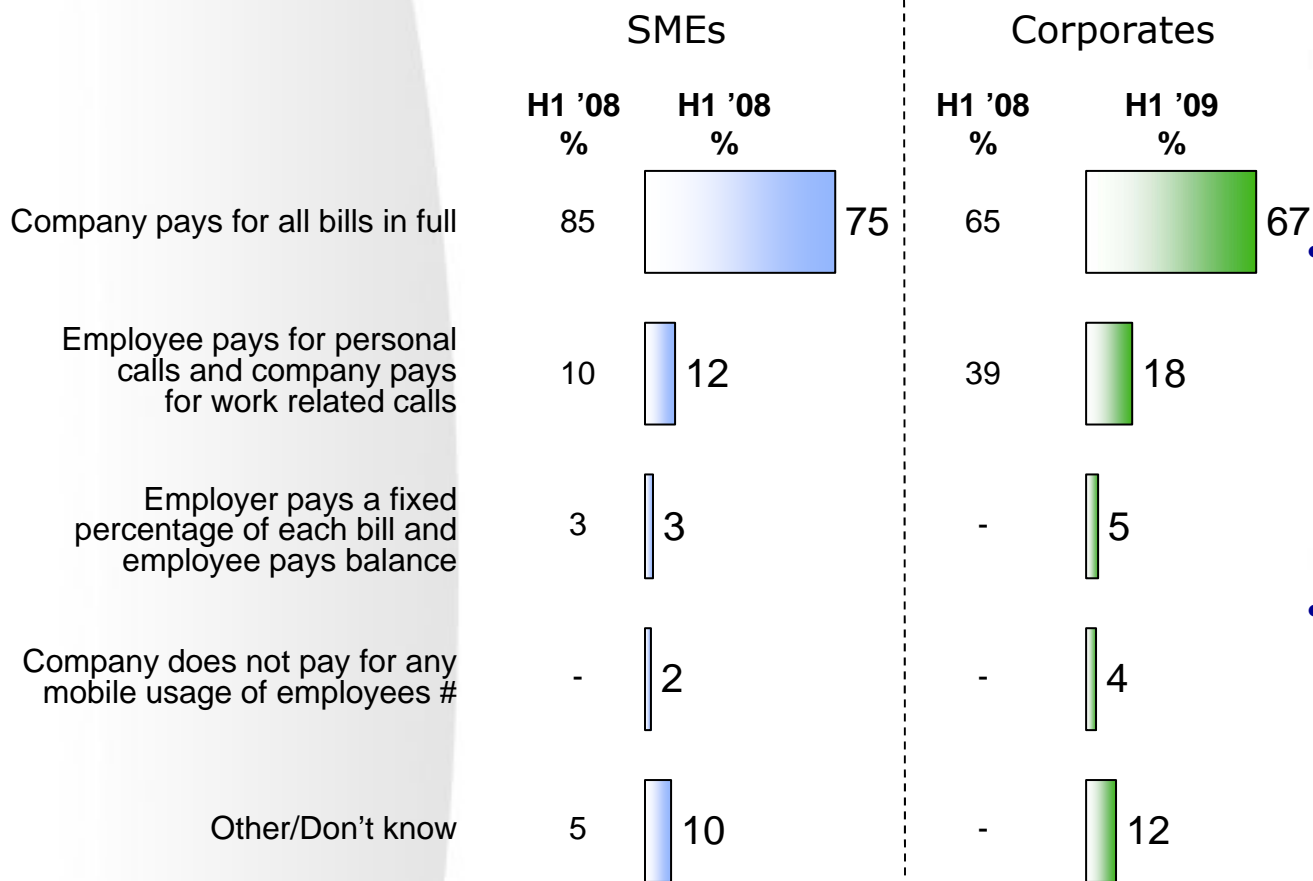
- Overall, the majority of businesses that supply mobile phones supply post pay mobile phones(82%).
- While 7% say that they use pre-paid options, SMEs are more likely than Corporate businesses to do so. A small number of businesses (3%) supply both pre paid and post paid phones.
- Businesses with 300+ employees (97%) are most likely to use only post-pay phones.

How Business Mobile Calls are Paid



Commission for
Communications Regulation

Q. How are business mobile calls made by employees paid for by the company?



- At an overall level 74% of businesses pay for their employees' mobile phone bills in full. There has been a decrease in the number of SMEs doing so since the end of 2006.
- Those businesses in the Rest of Leinster are more likely to pay in full for company mobile phone bills of their employees (82%).

Note new code H1'09

Approximate Monthly Spend on Mobile Phone Services



Q. What is your company's average monthly spend on mobile phone services?

		H1 '09 €	
Total	Note: Mean Figures Shown, only those businesses giving exact amount are included in this list (n=330, 32*)	981.00	<ul style="list-style-type: none"> Nearly 6 in 10 businesses (57%), spend less than €500 on mobile phone services; this rises to 64% among SMEs. Over one in four (27%) Corporates claim to spend over €5,000 monthly on mobile bills, compared to 2% of SMEs. Average stated monthly mobile spend has dropped from €1,213 in H2'06 to €981 in H1'09.
Sector	SMEs	572.90	
	Corporates*	5190.50	
Number of Employees	1-9	233.20	
	10-49	521.40	
	50-100	1511.40	
	101 - 300	2368.90	
	301+	9308.90	
Main Business Activities	Agriculture*	190.50	
	Mining/construction*	1775.80	
	Manufacturing	976.90	
	Transport*	936.90	
	Recycling/utilities/water*	539.30	
	Wholesale*	701.20	
	Retail*	1529.00	
	Hotel/restaurants*	129.30	
	Finance	953.50	
	Services	960.80	
Government*	1043.00		

Average monthly spend in H2'06 was €1,213



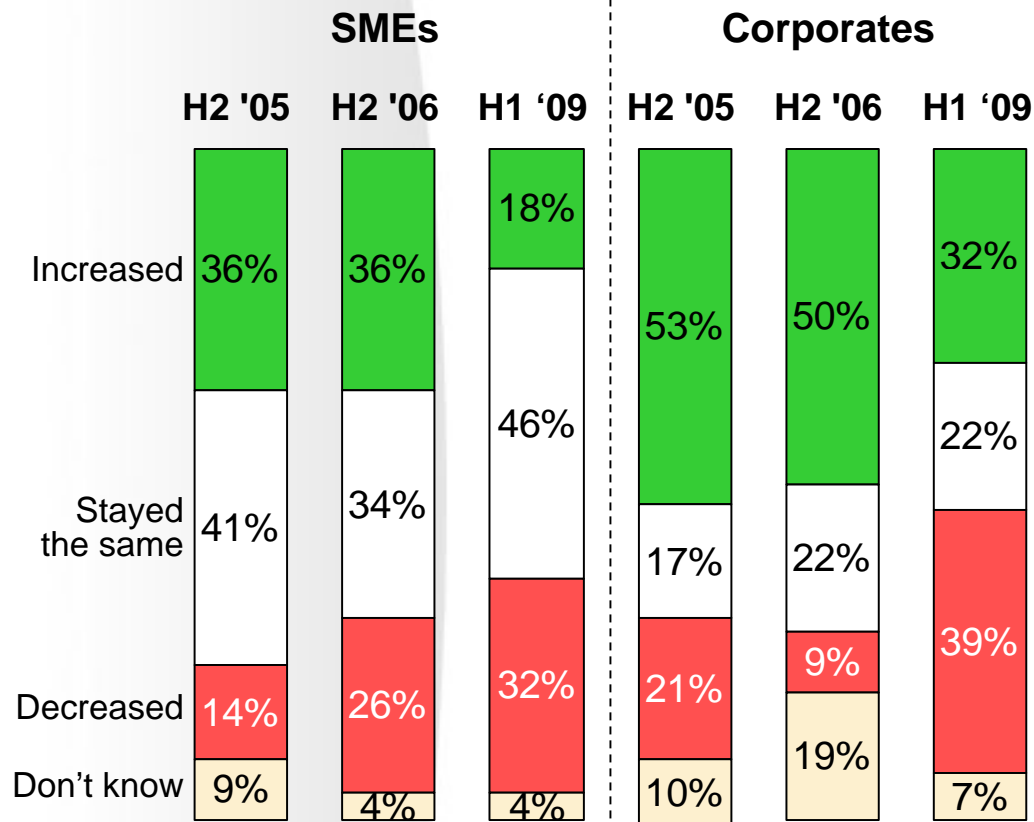
Base: All With Company Mobile Phones (n=401,52)

www.comreg.ie

*Caution Small base size

Change in Mobile Spend

Q. Would you say that your company's monthly spend on mobile phone services has increased, decreased or stayed the same over the last 12 months?



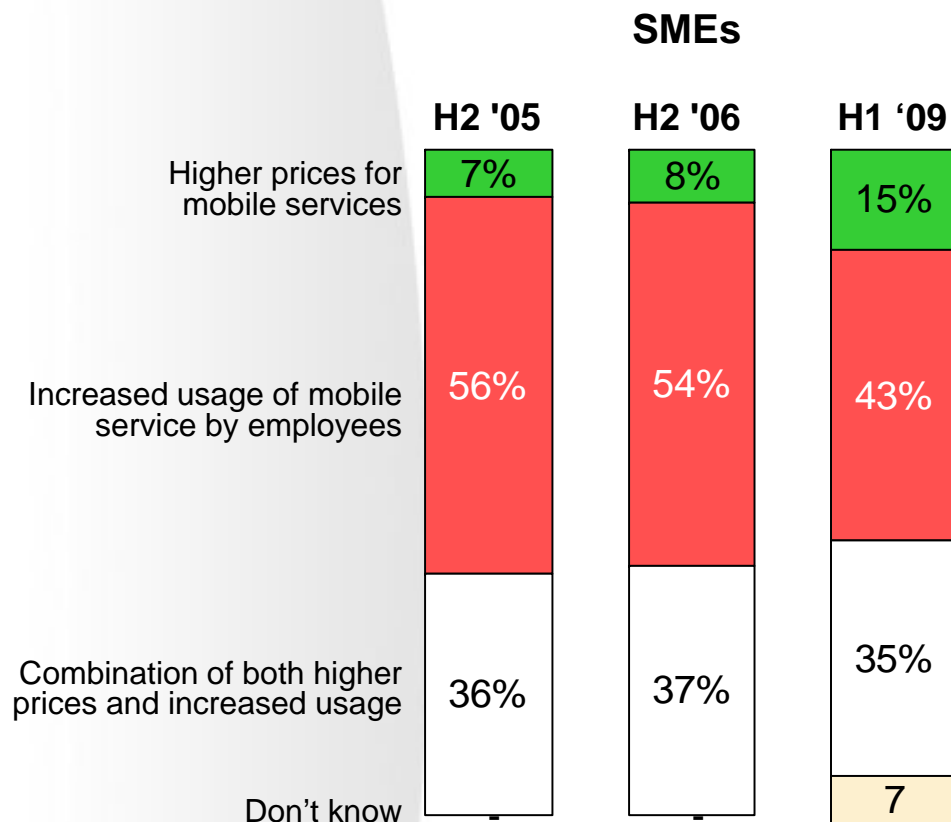
- There has been a perceived drop in mobile phone spend among business, with less than 1 in 5 (18%) of SMEs & about a third (32%) of Corporates stating that their mobile spend had increased in the last 12 months.
- While a sizable number stated that their spend had not changed, nearly a third (32%) of SMEs said their spend had decreased. This is higher among smaller SMEs (10-49) 37%, businesses operating in the manufacturing (39%) and retail (40%*) industries, and those based in Connaught/Ulster (41%).

Reasons for Increased Mobile Spend



Commission for
Communications Regulation

Q. Do you think this increase is due to...



- While there has been an increase in the number of SMEs saying that higher mobile spend is due to higher prices for mobile services, 43% still believe it is due to increased usage of mobile services, and a further 35% attribute it to a combination of these factors.
- Among the small number of Corporates, most believe increased mobile spend is due to increased usage.

Base: All SMEs that Believe Their Mobile Phone Spend has Increased (n=70)

Note: Corporate Base size too low to chart (n=10)



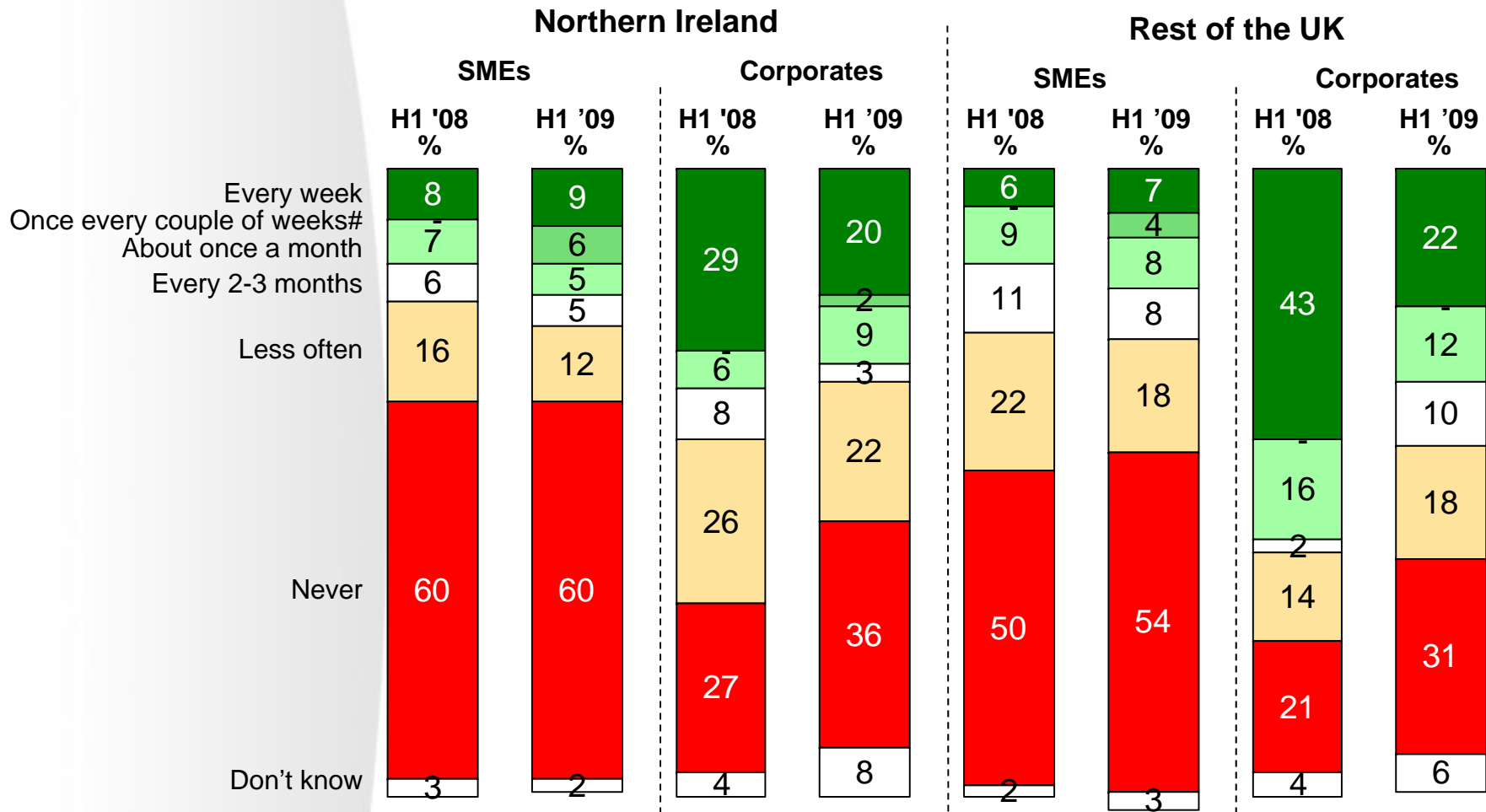
Millward Brown IMS

www.comreg.ie

Use of Company Mobile Phones Abroad



Q. How often do company employees use company mobile phones in the following regions for business purposes?

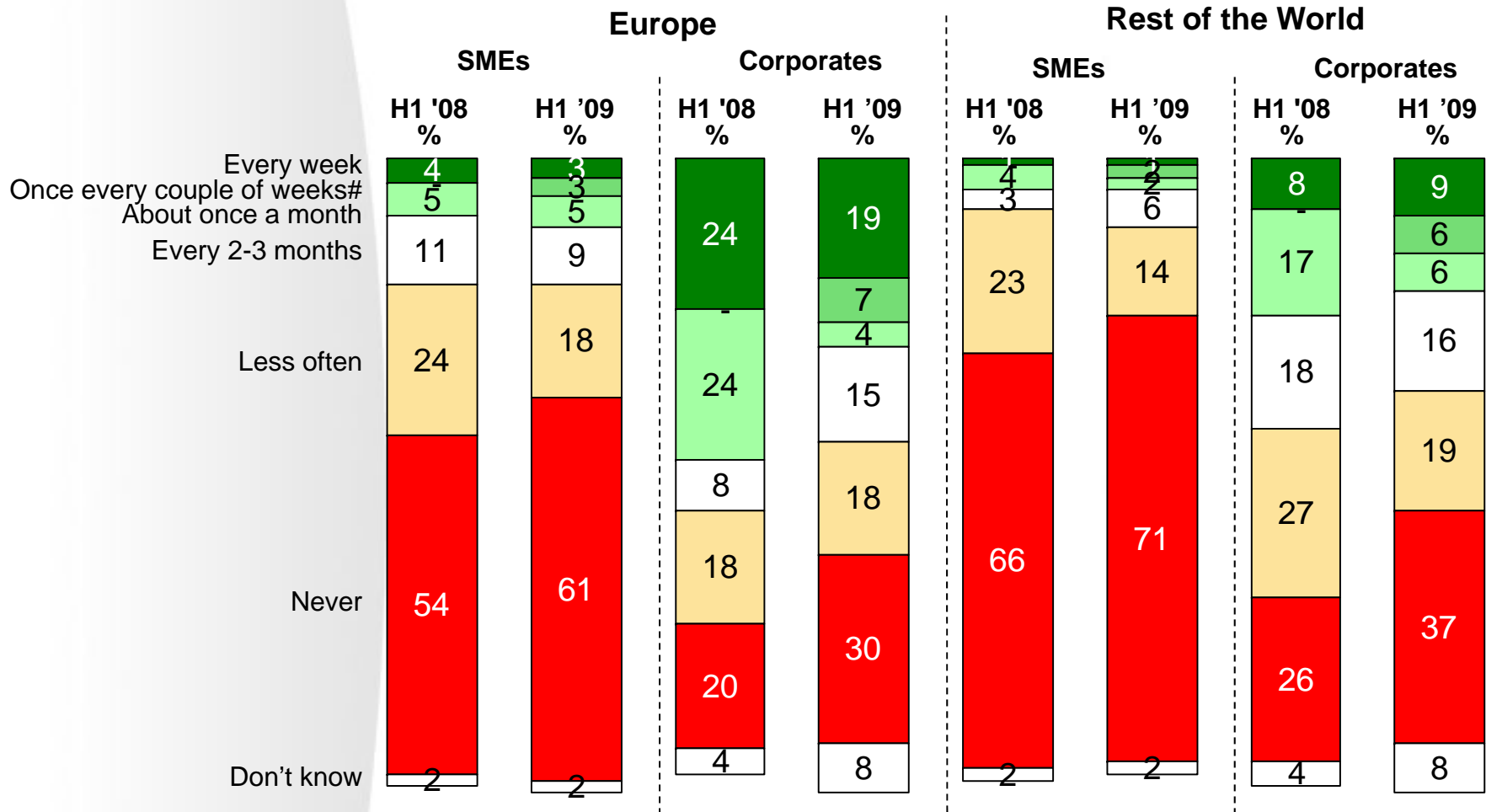


- While Corporates still roam more frequently than SMEs, there has been a marked decrease in the number of Corporates that roam frequently

Use of Company Mobile Phones Abroad

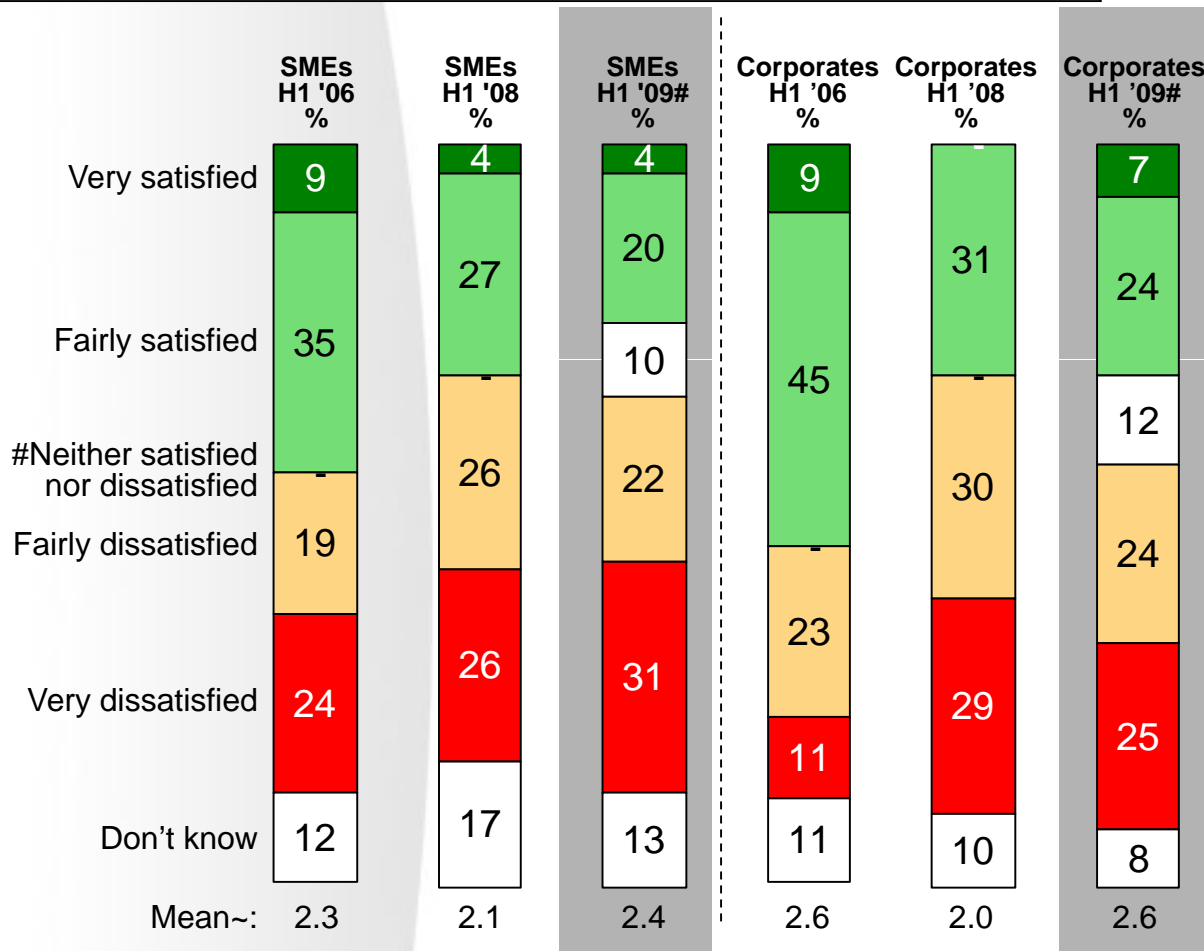


Q. How often do company employees use company mobile phones in the following regions for business purposes?



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?



- While not strictly comparable to previous quarters, levels of satisfaction with the current cost of roaming charges have decreased slightly among SMEs since H1 '08.

- 7% of Corporates give a 'very satisfied' score for roaming rates and overall satisfaction among this group remains the same.

- More SMEs are very dissatisfied with costs this time around. Increased dissatisfaction could be influenced by a more general sensitivity to costs in these challenging economic times.

New code Q1 '09; not comparable to previous waves as previously a 4 point scale was used

Base: All who use the company mobile phones abroad (n=222, 42*)

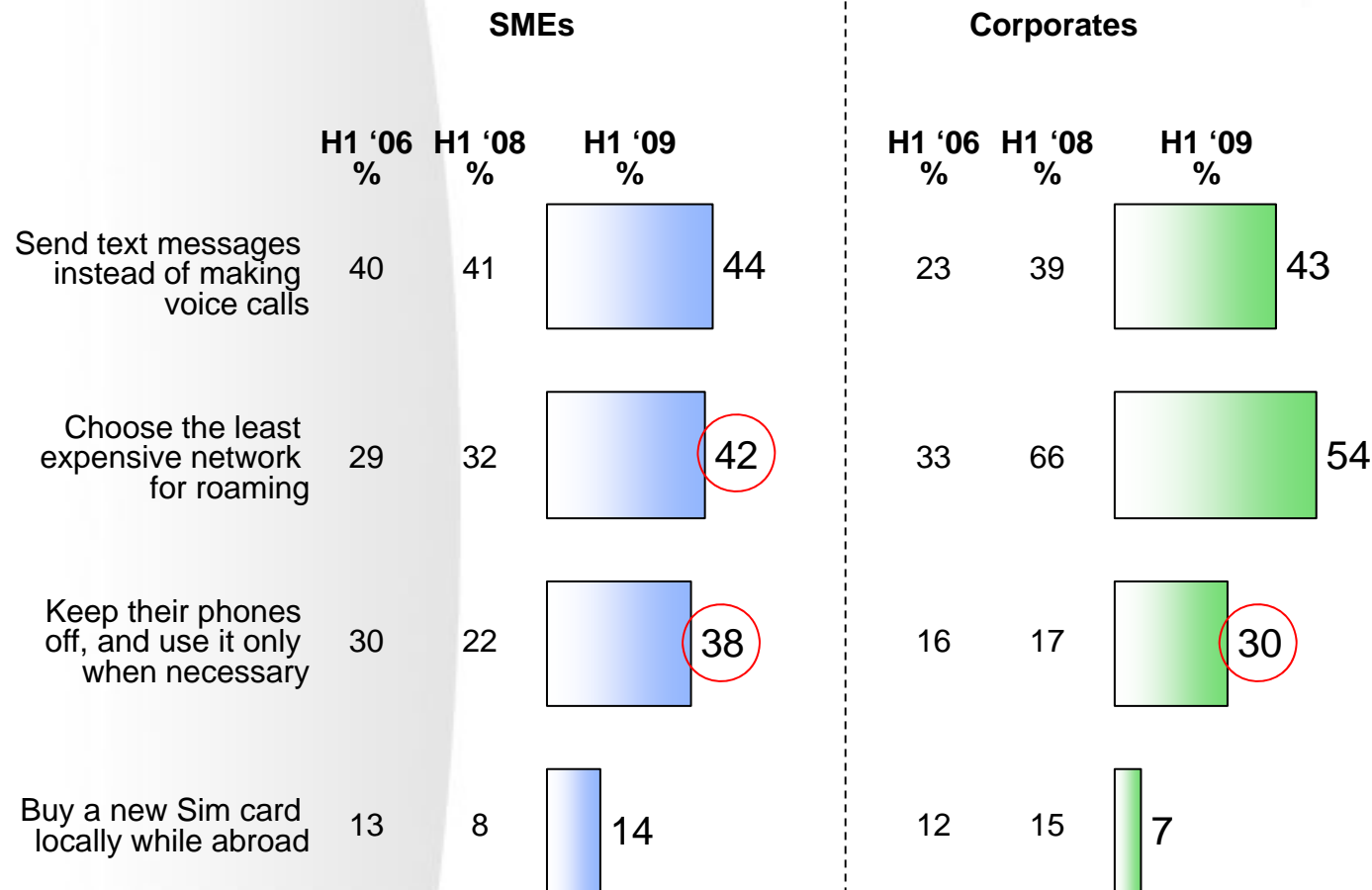
~ The Mean Score is the overall value obtained by applying a score according to each respondent's response, and dividing by the number of respondents who assigned a value

Current Usage Procedures When Using Mobile Phones Abroad



Commission for
Communications Regulation

Q. Does your company encourage employees to do any of the following when using a company mobile when abroad?



- Those businesses that use roaming are encouraging employees to keep their phones off while roaming more than ever before, with nearly 4 in 10 (38%) of SMEs, and 30% of Corporate roamers encouraging this practice.
- However among all businesses, encouraging text messaging over voice calls (44%), and choosing the least expensive network (44%) are the most often used methods business roamers are encouraged to adopt while roaming.

www.comreg.ie

Multiple responses allowed

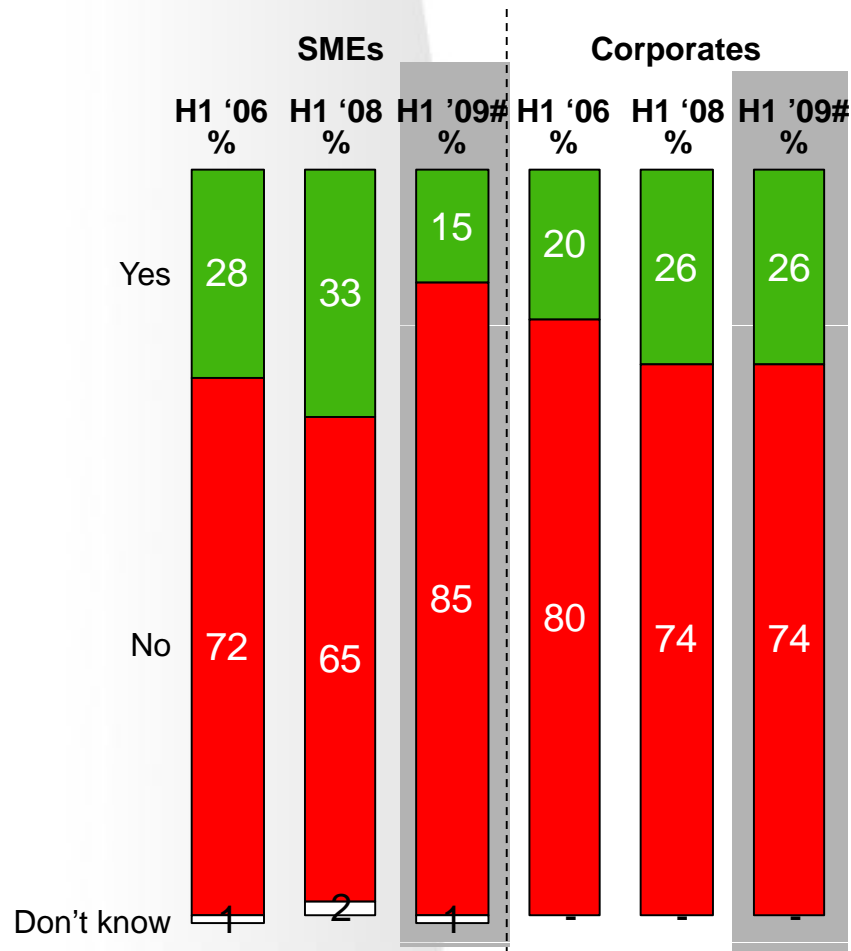


Base: All who use the company mobile phones abroad (n=222,42*)

Incidence of Experiencing Voice Service and Coverage Difficulties



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



- Overall, 16% of business using mobile phones had a difficulty in relation to quality of service from their mobile operator in the past year.
- While the levels of difficulty experienced have remained the same among corporate businesses (26%), fewer SMEs (15%) experienced difficulties this time around.
- Those based in Conn/Ulster (23%) appear to have been most likely to have experienced difficulties.

Note: Question wording changed this wave, not strictly comparable as previously asked about "quality of voice service and coverage"

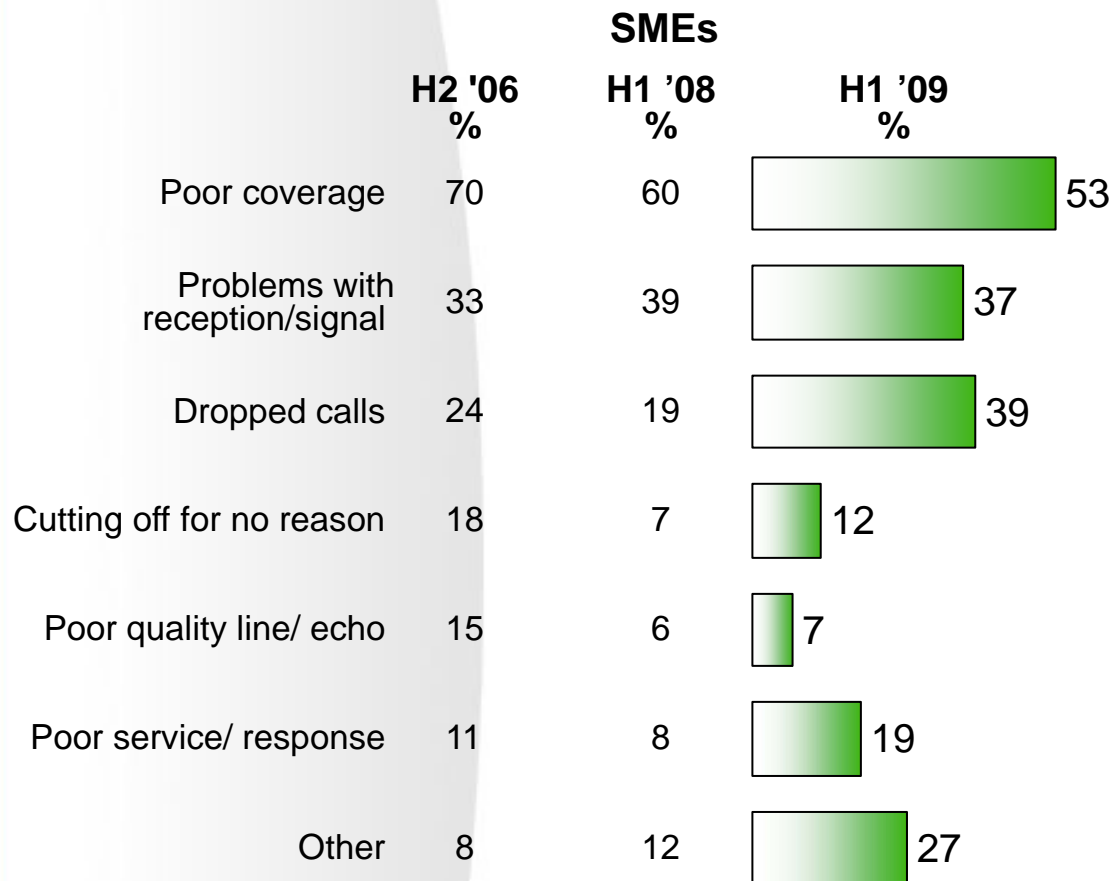
Base: All With Company Mobile Phones (n=401,52)

Service and Coverage Difficulties Experienced



Commission for
Communications Regulation

Q. What types of difficulty have you experienced?



- Poor coverage was again stated as the main difficulty experienced (53%) with quality of service from Mobile operators.
- Dropped calls (39%) and poor service/response (19%) were experienced more than in previous surveys.



Commission for
Communications Regulation

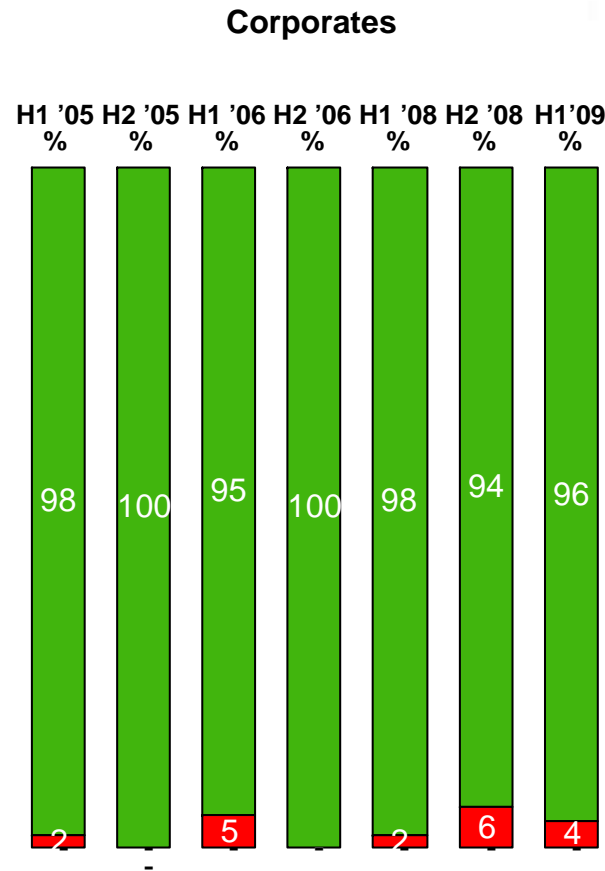
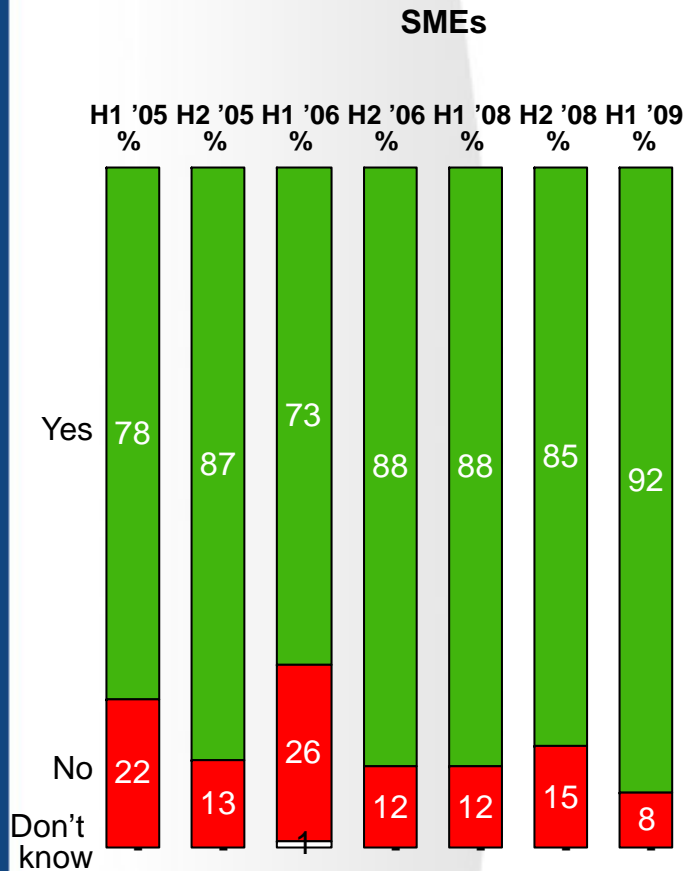


Internet & Broadband Communications

www.comreg.ie

Internet Access

Q. Is your company connected to the Internet?



- Overall 92% of businesses have internet access. There has been an increase in access among SMEs this wave of research, along with a marginal increase among Corporates.
- As has been identified previously, smaller companies (employing 1-9 employees) are least likely to have Internet access (85%)
- Industry sectors least likely to have access are mining/construction (85%) and Hotels/Restaurants (83%), whilst access is almost universal among financial and service sectors (98% and 95% respectively)

Internet Supplier Used

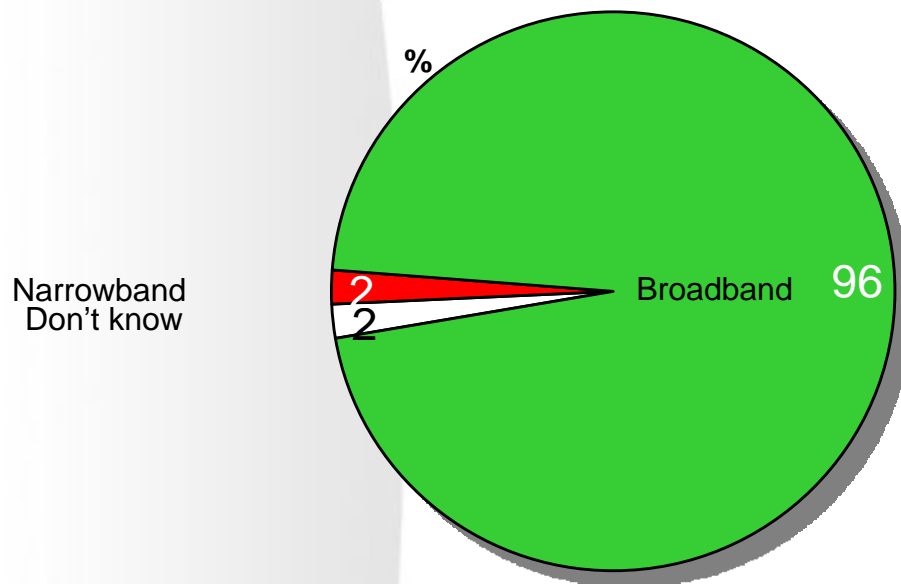
Q. What Internet supplier does your company use for connection to the Internet?

	Total							SMEs							Corporates						
	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08* %	H2 '08* %	H1 '09 %
Eircom	66	69	70	66	63	65	61	66	72	73	68	65	65	63	61	46	54	47	45	62	37
Other	34	31	30	34	37	35	39	34	28	27	32	35	35	37	39	54	46	53	55	38	63

- Eircom continues to be the main ISP in the market used by businesses in Ireland, although nearly two in five companies overall now claim to use other providers as their primary ISP.

Stated Internet Connection

Q. Is your company's MAIN internet connection a Broadband or a Narrowband connection?



- There is almost universal claimed usage of *broadband* connections. However, there may well be a misattribution effect, as when the actual type of connection is probed in more detail, narrowband becomes more prominent.

Type of Internet Connection Used

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

	SMEs							Corporates						
	H1'05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1'05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
DSL connection	49	57	59	52	66	61	75	51	67	57	29	55	53	46
Dial-up	27	24	19	17	7	4	3	2	6	2	7	4	2	2
ISDN line	15	13	9	9	7	8	3	8	13	4	3	6	11	5
Wireless broadband	4	2	4	9	12	8	10	2	6	4	12	10	2	14
Mobile broadband	n/a	n/a	n/a	n/a	5	8	2	n/a	n/a	n/a	n/a	6	6	6
Dedicated leased line	3	3	9	2	3	5	3	22	13	24	31	23	11	24
Fibre optic cable	-	-	-	1	2	2	2	-	-	-	9	6	23	9
Satellite	1	1	2	3	1	6	3	-	2	-	-	-	4	2
Other	1	2	-	2	2	2	1	2	8	5	12	10	19	11
Don't know	4	4	6	6	8	13	7	14	6	14	3	15	9	2

•Overall, 92% of businesses have Internet Access. Only 6% of businesses use a narrowband connection, with broadband being near ubiquitous.

•DSL continues to be the technology used by most businesses to access the Internet, and there has been a marked increase in the use of this technology by SMEs (75%).

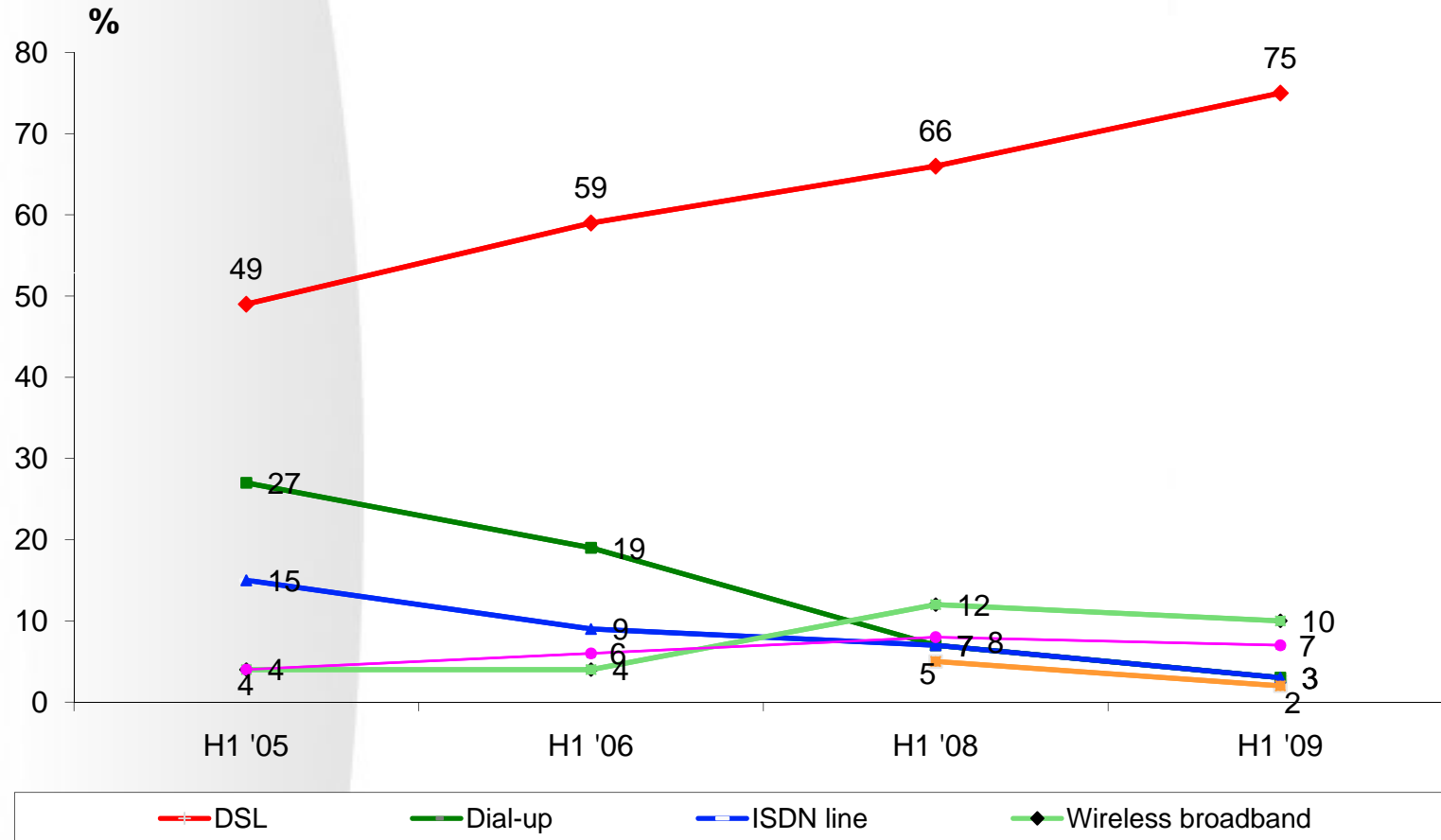
•The change in sample structure to include fewer businesses with 1-9 employees is likely to have impacted on these figures.

Type of Internet Connection Used – SMEs#



Commission for
Communications Regulation

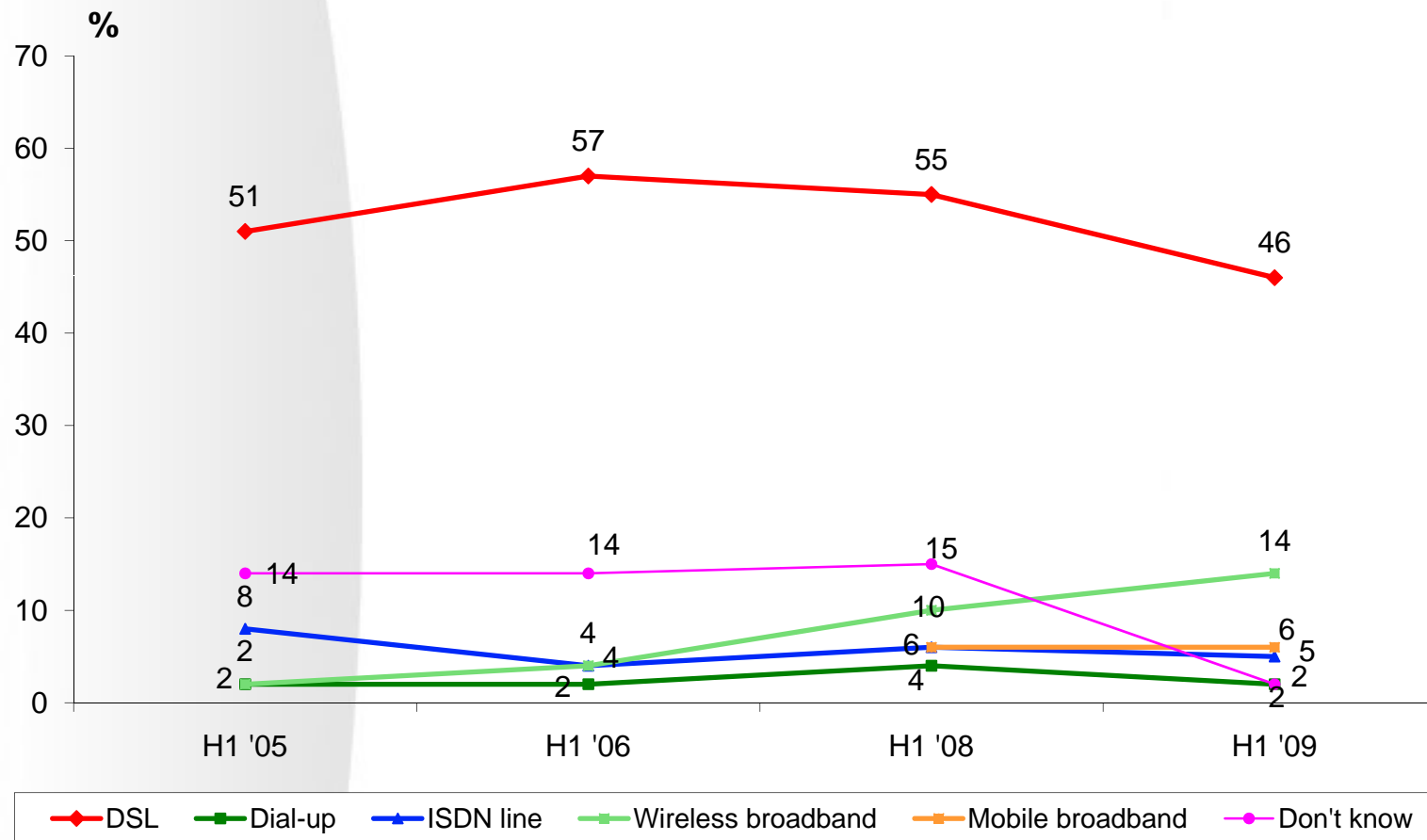
Q. What type of Internet connection does your company use?



Not all types of connection shown

Type of Internet Connection Used# - Corporates

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



#Not all types of connection shown

Awareness of download speeds

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

	%	SMEs %	Corporates %
Up to and including 512 kilobytes	1	1	-
> 512kb-1Mb	2	2	-
>1Mb - 2Mb	7	7	7
>2Mb and <10Mb	27	25	43
>=10Mb and <20Mb	12	10	27
=20Mb	3	3	6
Don't Know	48	52	17

- Nearly half of all companies are unaware of the download speeds provided by their ISP.
- One in four (27%) believe their download speeds are between 2Mb-10Mb, with a further 15% claiming speeds of 10Mb+.

Awareness of upload speeds

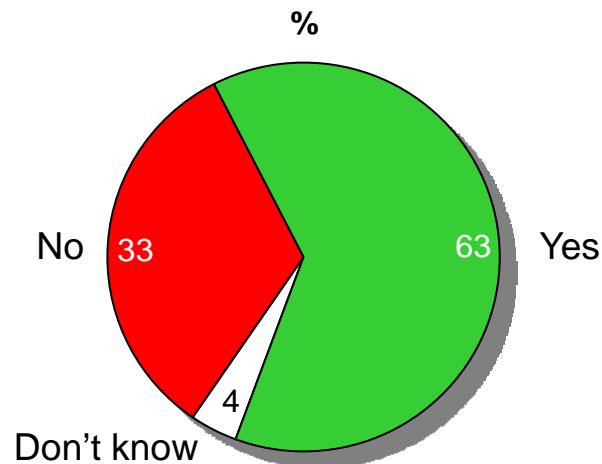
Q. What stated upload speed does your internet supplier contract to provide to your company? SINGLE RESPONSE

	%	SMEs %	Corporates %
Up to and including 512 kilobytes	4	3	10
> 512kb-1Mb	4	4	4
>1Mb - 2Mb	7	7	9
>2Mb and <10Mb	12	10	24
>=10Mb and <20Mb	5	2	24
=20Mb	1	1	4
Don't Know	68	73	25

- Awareness of contracted upload speeds is even lower, with just 3 in ten able to answer this question.
- Awareness is higher among Corporates, and among them, 48% have contracted upload speeds of between 2Mb and 20Mb.

Are the Download/Upload Speeds promised being delivered?

Q. Do you believe that your broadband provider is delivering the speeds stated in your internet package terms and conditions?



Yes - Higher Among:

Corporates* 74%
Construction* 72%
Services* 70%

No - Higher Among:

SMEs 37%
Manufacturing* 42%
Finance* 38%

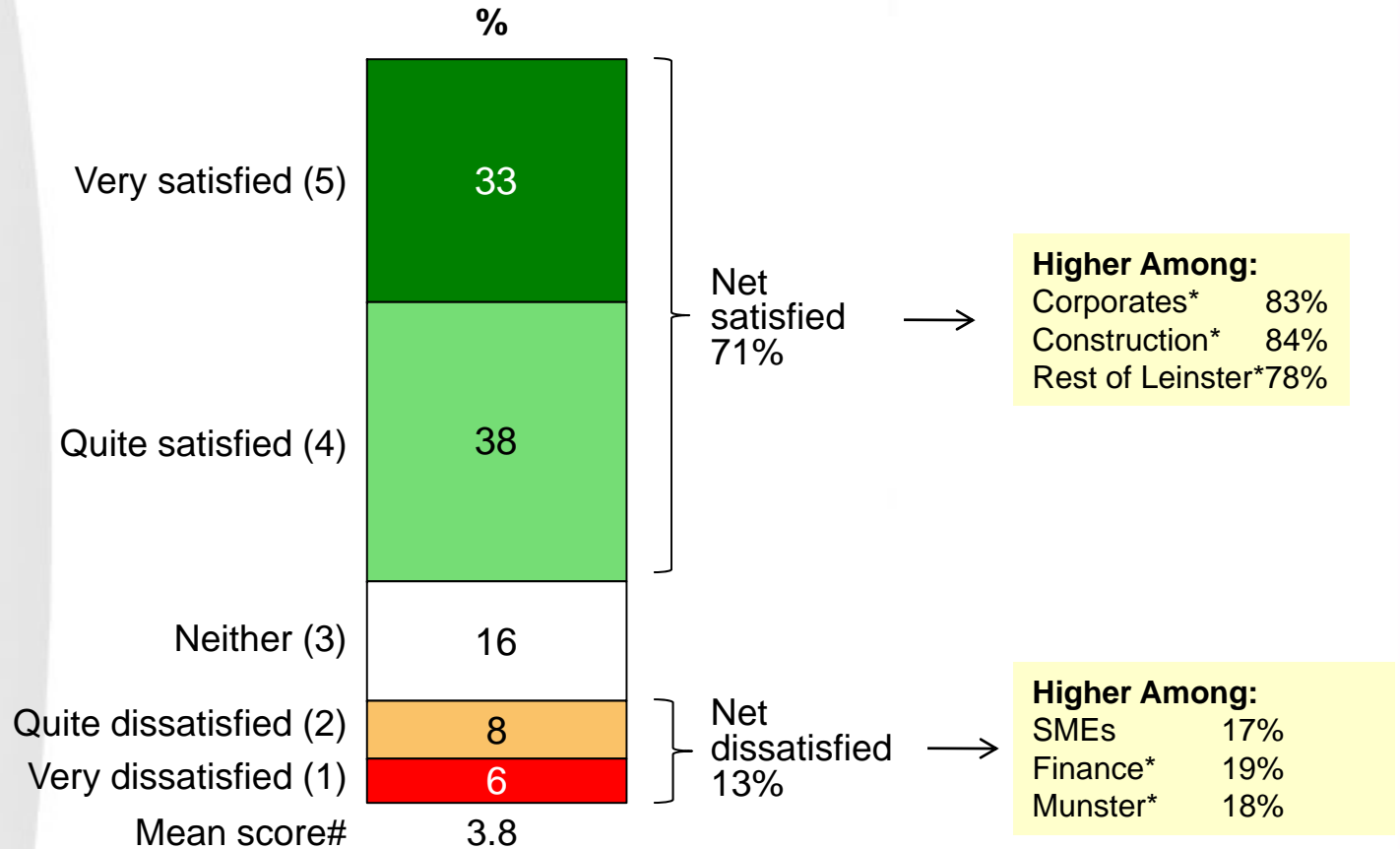
*Caution Small base size

Base: All Who knew that upload speeds (SMEs=101, Corporates=36*)

Satisfaction with the Speeds received from ISPs



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

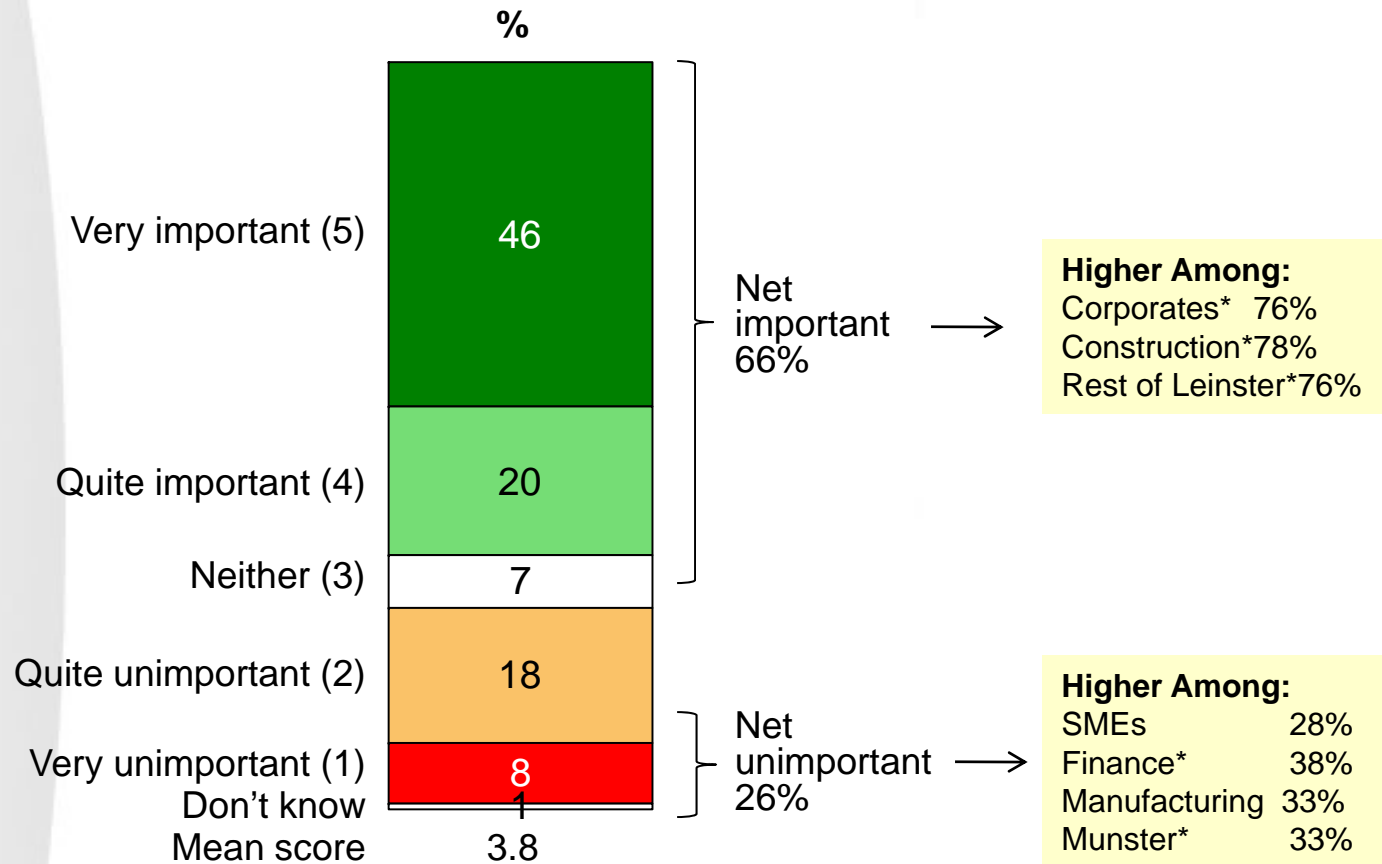


Base: All Who knew that upload speeds (SMEs*101, Corporates=36*)

*Caution small base size

Importance of symmetrical broadband service

Q. A symmetrical broadband service is where upload and download speeds are equal. How important is it to your business that your company has equally high download and upload speeds?



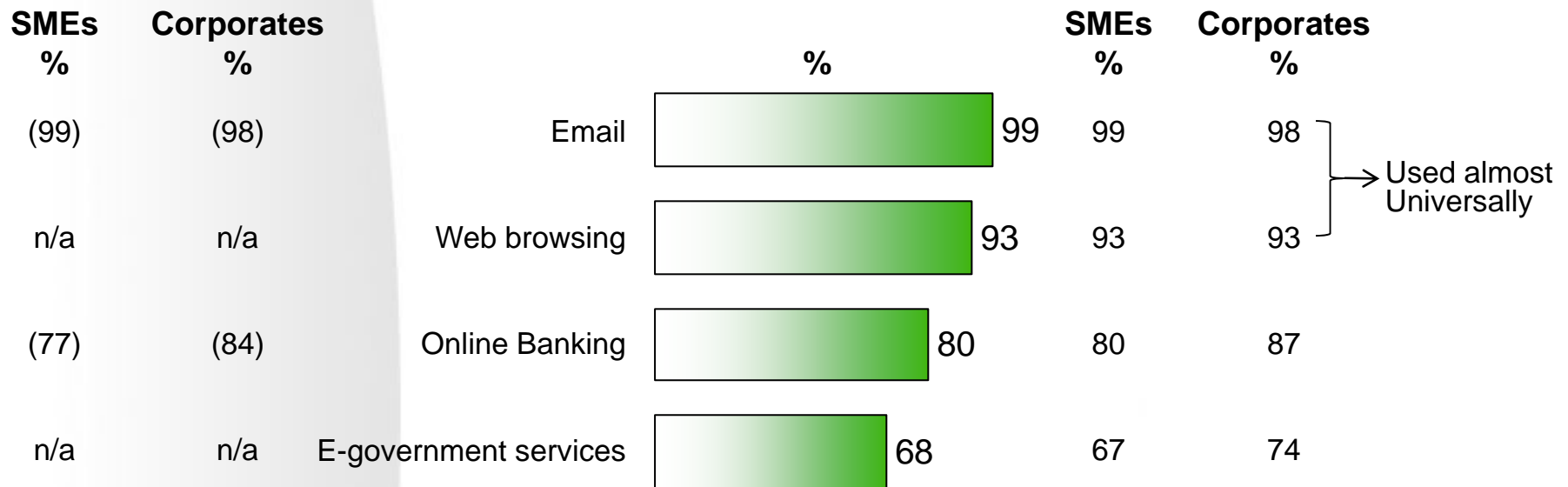
*Caution Small base size

Base: All Who knew that upload speeds (SMEs*101, Corporates=36*)

Standard Broadband applications currently used

Q. Which, if any, of the following STANDARD applications or services does your business use its broadband connection for?

H2 '08



- There is high usage of standard applications by both Corporate and SME businesses
- Online banking is used more frequently by those in The Transport, Wholesale and Service Industries.
- E-government services are used more by Wholesale/Retail, Services sectors and Dublin based Companies.

Base: All with Broadband (SMEs =360, Corporates =45*)

Advanced Broadband Applications Used



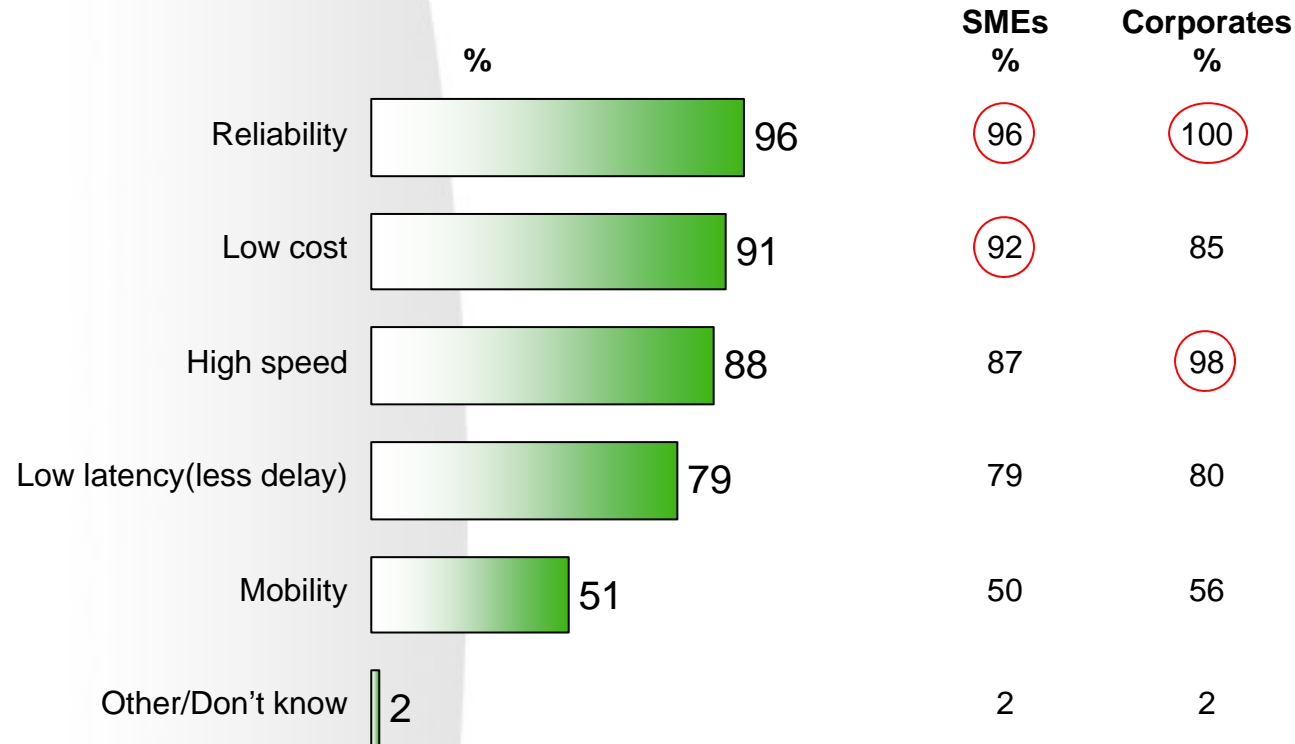
Q. Which, if any, of the following ADVANCED applications or services does your business use its broadband connection for?

H2 '08						
SMEs	Corporates				SMEs	Corporates
%	%		%		%	%
n/a	n/a	Secure electronic ordering or supply of goods and services	51		49	68
n/a	n/a	Remote monitoring of your business premises of CCTV links	22		20	35
n/a	n/a	Voice over IP (i.e voice calls over the internet)	19		16	41
(16)	(49)	Video calls or Video Conferencing over the Internet	15		10	52
n/a	(n/a)	Using social networking sites e.g. having a business presence on sites such as Linked In or MySpace	15		14	21
n/a	(n/a)	Company blog (maintaining a weblog in relation to your business)	14		15	7
n/a	(n/a)	Other	7		7	10
n/a	(n/a)	Don't know	29		32	7

- In general, Corporates claim to be more likely than SMEs to use advanced Broadband applications.
- Over half (51%) of all businesses use secure electronic ordering/ supplying – this is the most popular broadband application among all businesses.
- VoIP and video calls/ Conferencing are other broadband applications used, notably by Corporates.

Factors important for Broadband Users

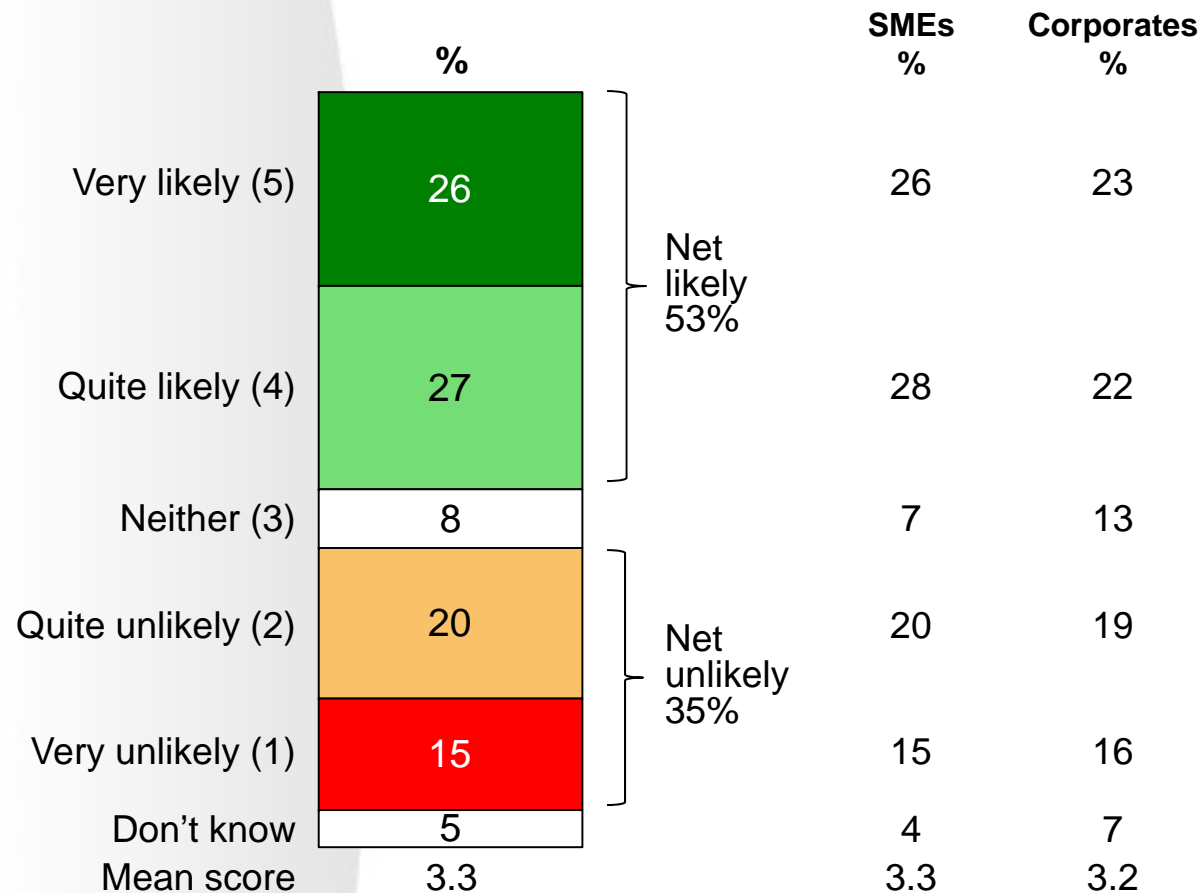
Q. Which of the following aspect(s) of your broadband service is/are important to your business?



- Speed and Reliability are of most importance to Corporates, whilst Reliability and cost are key for SMEs.
- Speed is deemed more important for those in the construction sectors (93%), Manufacturing (92%) and finance (92%).
- Cost is more important to those in Services (97%) and Wholesales/Retail (94%).
- Mobility is more relevant to those in Construction (57%) and Finance (58%).

Likelihood of Switching Broadband Supplier for a 10% Saving

Q. 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?



- Just over half would switch providers for a 10% saving, with a significant minority thinking it unlikely.
- Those who are most likely to consider switching are in Construction or Manufacturing (59% and 58% respectively).
- Also Leinster and Munster based companies are also more likely to switch (57% and 55%).
- Interestingly those least likely to switch are also in Construction (41%) along with Retail (49%).

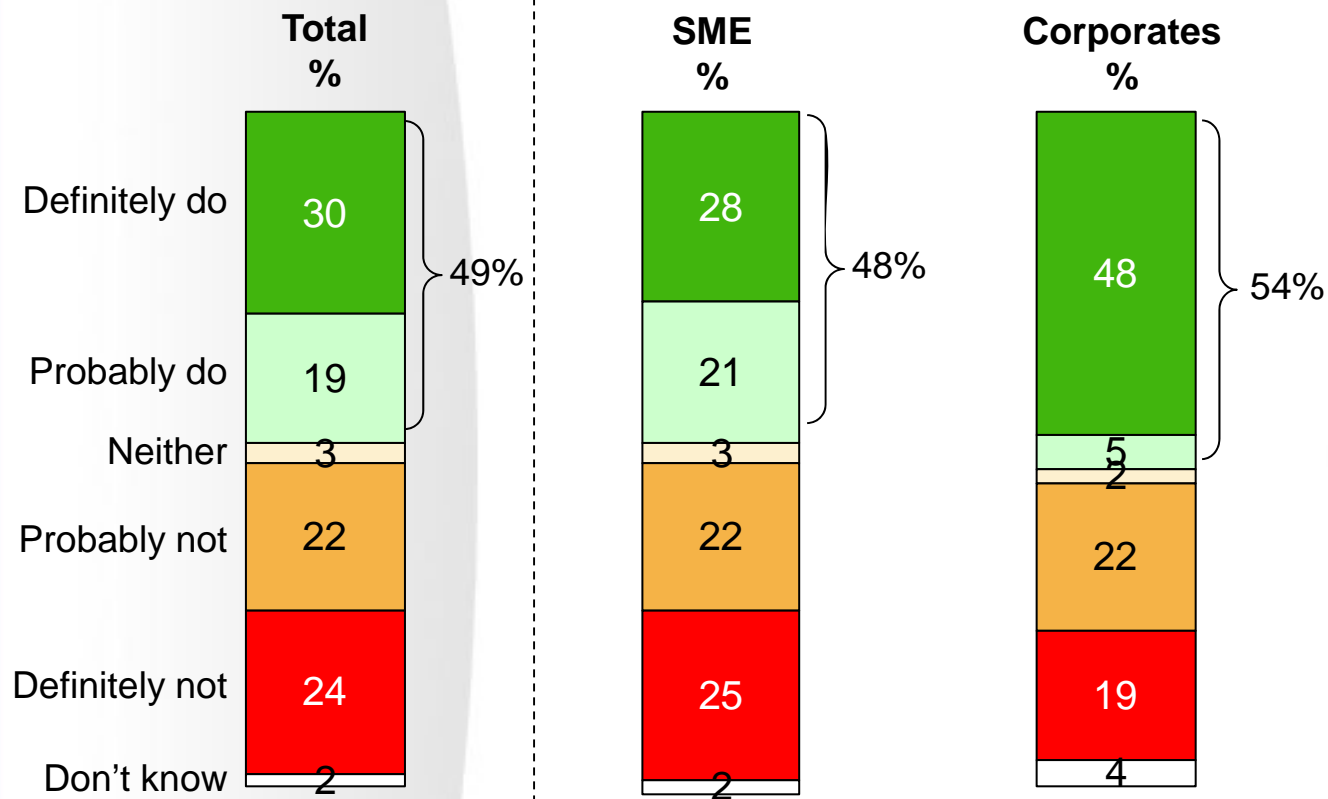
*Caution Small base size

Base: All Who knew that upload speeds (SMEs=101, Corporates=36*)

Economic Outlook and ICT Spend

NEW

Q. Given the downturn in the Irish economy, do you foresee a reduction in your spend on information and communications technologies in the next 12 months?



- Corporates are more likely to cut spending due to the downturn, although nearly half of all businesses (49%) share this view.
- Opinion is still divided however; 46% overall feel they will not curb spending in the next 12 months. This is higher among businesses with 101-300 employees (57%), businesses based in Munster (52%) and those without an Internet Connection (60*).

Base: All Narrowband & Broadband users (SMEs = 411, Corporates = 50)

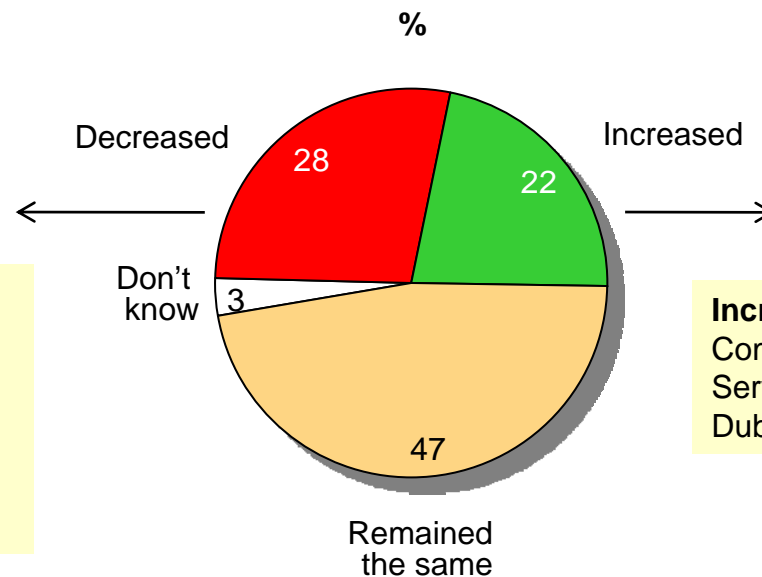
Overall Telecommunication costs

Q. In your opinion, over the last 12 months have your company's overall telecommunication costs:

SMEs 25%
Corporates 57%

Decrease - Higher Among:
Companies 300 employees +
67%

Construction	35%
Transport	34%
Wholesale	37%
Retail	48%
Dublin	32%



SMEs 23%
Corporates 16%

Increase - Higher Among:
Companies 50-100 employees 28%
Services 26%
Dublin & Leinster 25%

Base: All Companies (SMEs = 502, Corporates= 53)

Business Attitudes to Telecoms Market



Q. How strongly do you agree or disagree with each of the following statements

	Strongly Agree %	Agree %	Neither %	Disagree %	Strongly Disagree %	Don't know %	Mean score %	SMEs %	Corporates %
When choosing a telecommunications supplier, I place more importance on the quality of service than the price	30	43	14	9	2	2	3.9	3.9	3.9
I believe the telecommunications market is more competitive than it was 12 months ago	27	43	11	11	3	5	3.8	3.8	3.8
I believe there are savings to be gained by changing my telecommunications supplier	25	37	16	14	4	4	3.7	3.7	3.7

Base: All Companies (SMEs = 502, Corporates= 53)



Commission for
Communications Regulation

Key Findings

Key Findings - Fixed



- At an overall level, businesses are more likely to use Eircom and another provider than previously, and the number of businesses using Eircom only dropped again in this survey. This is most notable among Corporates. It is likely that given the worsening economic conditions, businesses may be more willing to try alternate providers to obtain cost savings.
- Nearly a third of respondents with a fixed line had experienced a network-related fault on their line in the previous 12 months; the majority of these reported between 1 and 2 faults in that time.
- While awareness of VoIP among Corporates remains very high, there is now increased awareness of VoIP among SMEs with over half having ever heard of VoIP. This is not yet translating into use of this service, as there was only a slight increase of usage of VoIP among SMEs since the same time last year.
- While from a small base, most businesses that use VoIP are established users of this service with low numbers of new users being reported. VoIP is still very much a complementary service to the traditional PSTN.

Key Findings - Mobile



- Mobile phones are supplied to employees by the vast majority of Corporate businesses, and nearly 8 in 10 SMEs in Ireland; the majority of these users are post pay. Vodafone and O2 continue to be the mobile companies most used by businesses. Smaller businesses are less likely to provide mobile phones to their employees.
- There has been a shift in the last year in how business calls made by employees are paid for by the business, with few SMEs saying that they pay for the bills in full; this is likely to be a method for cost savings. Indeed average monthly spend by businesses now stands at €981, a drop from €1,213 at the end of 2006.
- Lower numbers than previously believed that their mobile spend had increased in the last 12 months. There have also been sizeable shifts in those businesses that believe their monthly spend on mobile services has decreased.
- Of those SMEs that felt their spend had increased, a sizeable minority still believe that this is due to increased use of mobile services by employees, and a further third of respondents claimed a combination of higher prices and increased usage had resulted in increased spend. A relatively small percentage attributed this change solely to increased prices.
- The numbers of businesses roaming is also indicative of changing times, as Corporates are less likely than the same period last year to be roaming on a regular basis, and those who are roaming are taking measures to reduce the costs of roaming while abroad by increasingly keeping their phones switched off, and sending text messages instead of making voice calls.

Key Findings – Internet & Broadband



Commission for
Communications Regulation

- Claimed internet access is at its highest level so far in this wave of research – 92% of SMEs are now connected to the Internet, with nearly universal penetration among Corporates. Eircom remains the most widely used ISP, although there is a greater range of ISPs used among Corporates.
- The results of this research points to an increased use of broadband over narrowband connections, with SME use of DSL registering its highest level ever.
- Among those who claim to be aware of their current connection type, nearly half (48%) do not know their contracted download speeds (largely driven by a lack of awareness among SMEs). Indeed awareness of upload speeds is even lower – nearly seven in ten are unable to state their contracted upload speeds.
- However, of those aware, the majority (63%) feel that their ISPs are delivering on their contracted package.
- Generally speaking, companies are satisfied with the speeds they receive, with just one in eight expressing dissatisfaction.
- Almost all companies use their broadband for standard applications of email and web browsing. Less commonly used applications include e-government services, secure electronic ordering and supply of goods and services and VoIP.
- In terms of what broadband factors are most important, reliability, cost and speed are the most pertinent issues. In line with other findings in this survey, cost sensitivities among businesses are evident here too, with over half of companies claiming they would switch broadband provider for a 10% discount.



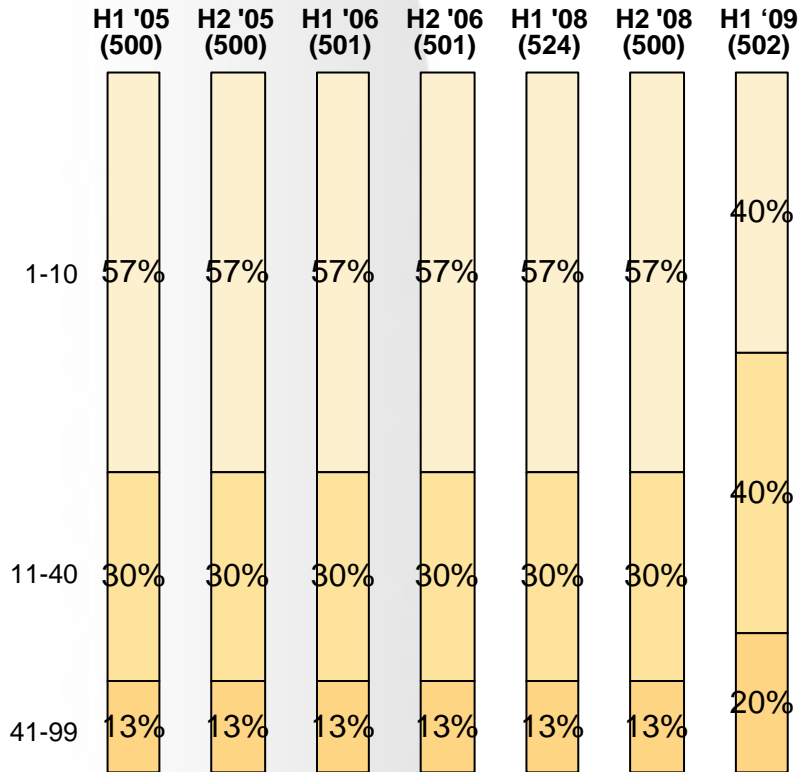
Commission for
Communications Regulation

Appendix: Sample Details

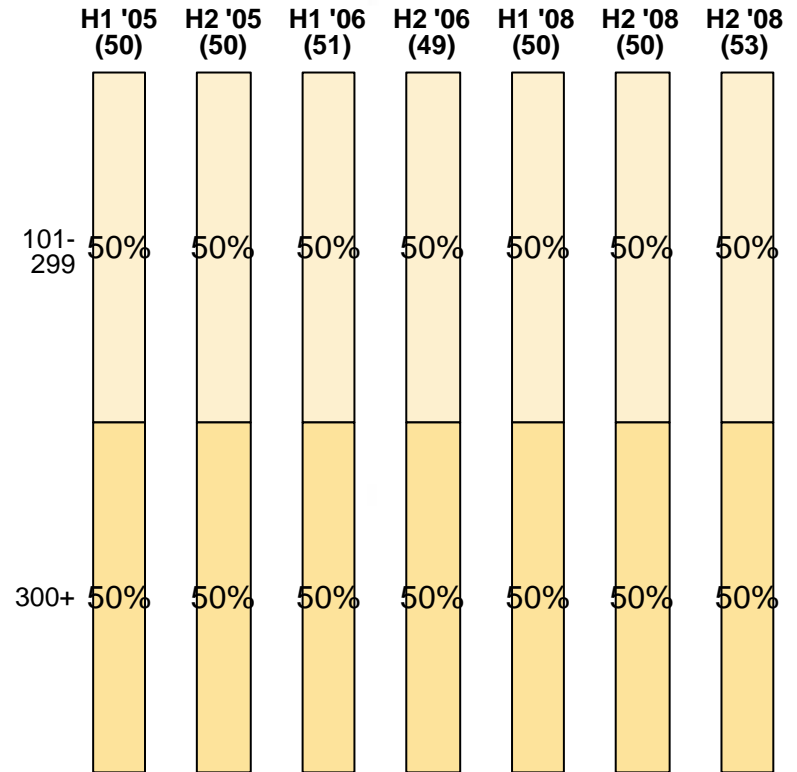
Sample Profile – Number of Employees



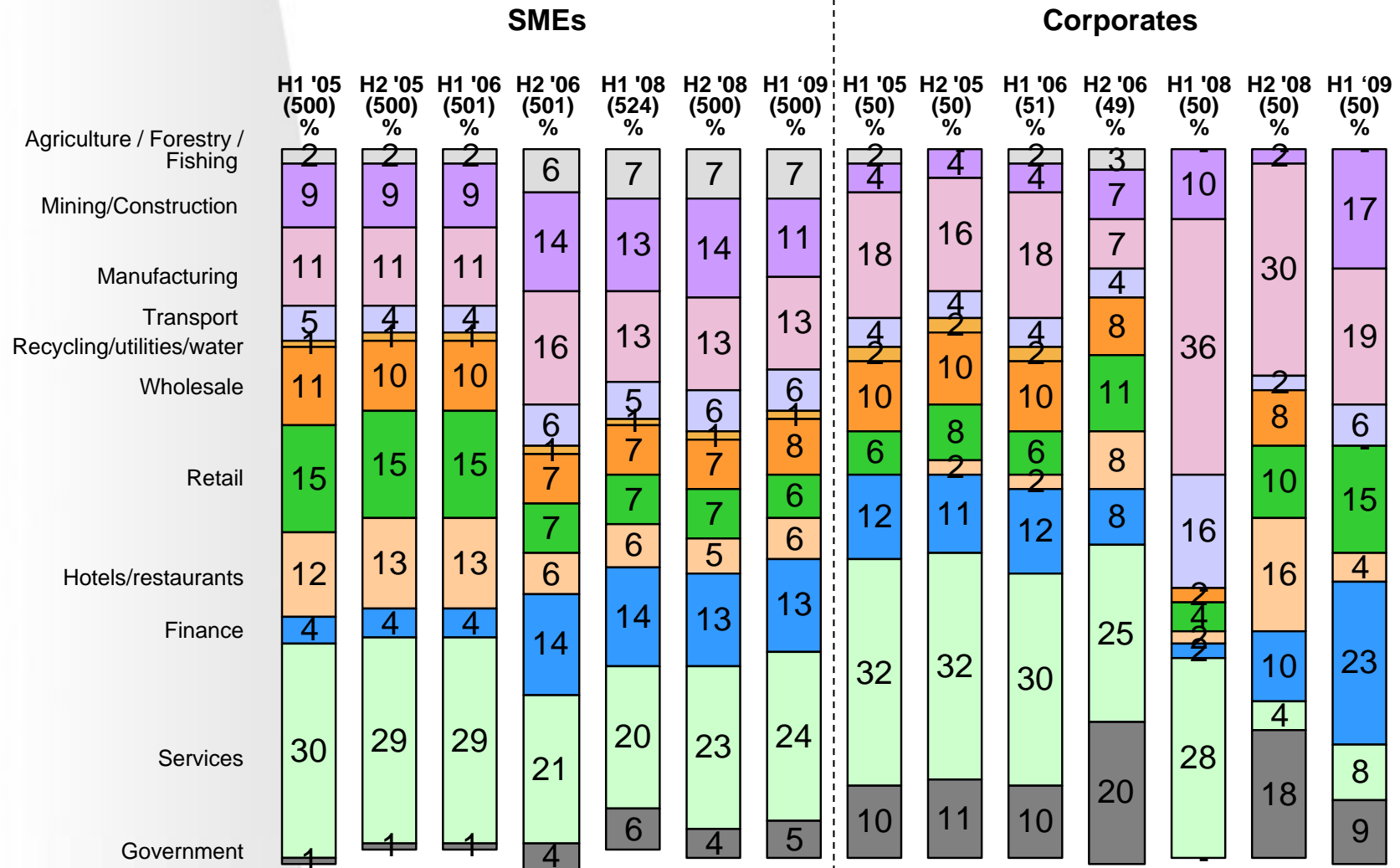
SMEs



Corporates



Sample Profile – Industry Sector



Sample Profile: Location of Business



Q. What region is your workplace in?

	SMEs							Corporates						
	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
Dublin City	29	30	24	25	28	30	32	38	42	40	52	57	30	46
Rest of Leinster	25	20	24	28	24	26	27	16	14	14	10	18	28	13
Munster	26	33	34	28	28	29	29	38	21	30	30	18	32	29
Conn/Ulster	20	16	17	18	19	15	13	8	23	16	8	8	10	11

Sample Profile: Location of Premises



Q. Is your company located in....

	SMEs						Corporates					
	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
In a large town or city	39	32	31	39	35	37	46	41	55	61	32	42
A small or mid-sized town	20	25	20	18	18	15	15	19	6	11	28	28
A rural area or village	20	23	28	22	22	22	5	2	13	6	14	6
A business park in urban area	17	16	18	15	20	19	27	30	24	18	20	12
A business park in a rural area	3	2	3	5	4	6	4	6	2	2	4	11

Sample Profile: Type of Company

Q. Is your company?

	SMEs							Corporates						
	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
An Irish owned – private company	89	86	83	85	81	86	82	40	35	36	32	35	42	49
An Irish owned – public company	3	3	3	3	5	2	3	8	3	11	10	16	4	6
A Subsidiary of overseas company	6	3	4	5	6	6	5	30	30	24	24	26	30	27
A Semi-State body	1	2	1	*	*	1	*	10	10	7	3	8	2	4
A Government department	1	2	2	3	3	1	2	10	18	11	20	10	16	7
Other	*	3	6	5	5	4	7	-	2	11	10	4	4	6

Sample Profile: Position in Company



Q. What is your own position in the company?

	SMEs							Corporates						
	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
IT Manager /IT Director	7	11	6	8	10	9	13	46	46	44	68	54	44	53
CEO/Managing Director / Owner Manager	45	36	38	48	47	43	38	2	-	6	3	4	2	6
Telecommunications Director/ Telecommunications Manager	1	2	*	1	*	1	1	4	11	-	5	4	6	9
Finance Director/ Finance Manager	8	11	5	9	8	5	9	8	9	6	6	12	8	6
Other Director/Manager	23	24	19	21	25	16	21	26	12	10	12	18	14	17
Administration	10	9	9	9	7	-	-	-	4	-	4	2	-	-
Other	5	7	22	4	2	26	17	4	19	35	4	6	24	9
Refused	1	1	*	-	-	-	-	-	-	-	-	-	2	-

Main Fixed Line Supplier



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

	SME							Corporates						
	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
Eircom	79	80	77	76	75	70	72	82	77	88	77	68	78	60
Imagine ¹	4	3	6	6	10	8	8	9	3	1	5	4	8	4
BT Ireland	6	8	6	5	7	7	7	8	14	4	10	12	10	20
Pure Telecom	1	2	1	1	1	1	1	2	-	2	2	2	-	4
Verizon ²	2	1	*	1	1	-	*	4	-	4	-	2	2	4
NewTel ³	1	*	1	1	1	n/a	n/a	-	-	-	-	-	n/a	n/a
Cinergi/Speedial	1	*	1	1	n/a	-	n/a	-	-	-	-	n/a	-	n/a
UPC	1	*	*	-	*	-	-	-	2	6	2	6	-	-
Euphony	-	-	-	-	-	1	*	-	-	-	-	-	-	-
IFA	-	-	-	-	-	1	-	-	-	-	-	-	-	-
Smart	-	-	-	-	-	1	*	-	-	-	-	-	-	3
None	-	-	-	-	-	3	1	-	-	-	-	-	-	-
Other*	5	5	7	7	4	8	9	-	2	8	12	6	2	12
Don't know/refused	1	2	2	3	2	-	-	-	2	-	4	-	-	-

Base: All Respondents

1 Imagine includes Access, Cinergi, Gaelic Telecom

2 Verizon previously MCI Worldcom

3 NewTel has since been acquired by Pure Telecom

*Note: Answers under 1% not shown

www.comreg.ie

Main Internet Supplier Used



Q. What is the main company that supplies your business Internet connection?

	Total							SMEs							Corporates						
	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %	H1 '05 %	H2 '05 %	H1 '06 %	H2 '06 %	H1 '08 %	H2 '08 %	H1 '09 %
Eircom	66	69	70	66	58	60	61	66	72	73	68	61	61	63	61	46	54	47	29	53	37
BT Ireland (Esat BT)	7	7	6	6	9	10	7	6	6	6	5	9	9	6	16	12	1	14	16	15	13
Imagine Group ¹	n/a	n/a	n/a	n/a	4	6	9	n/a	n/a	n/a	n/a	4	7	10	n/a	n/a	n/a	n/a	2	4	-
Magnet/Leap/Netsource	n/a	n/a	n/a	n/a	3	3	4	n/a	n/a	n/a	n/a	3	3	4	-	-	-	-	10	-	6
Irish Broadband	3	4	5	4	3	n/a	n/a	4	4	5	4	3	n/a	n/a	2	4	4	7	2	n/a	n/a
DigiWeb	1	1	1	2	2	2	1	1	1	1	2	2	2	1	-	-	-	-	-	2	2
UPC	1	1	2	1	1	1	*	1	1	1	*	1	1	-	-	2	7	3	4	-	4
Verizon	1	*	*	1	1	1	1	1	*	*	*	*	*	1	2	2	-	5	2	4	2
Smart Telecom	1	*	1	1	1	1	2	1	*	1	1	1	1	1	-	-	3	2	4	2	9
UTV Internet	1	1	*	1	*	*	1	1	1	1	1	*	-	1	-	-	-	-	-	-	-
Perlico	-	*	-	1	*	*	-	-	*	-	1	*	-	1	-	-	-	-	*	-	-
Vodafone	-	-	-	-	-	1	1	-	-	-	-	-	1	1	-	-	-	-	-	-	-
3 Ireland	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-
Pure Telecom	-	-	-	-	-	1	1	-	-	-	-	-	1	1	-	-	-	-	-	-	-
Interfusion	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-
Last Mile	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-
Other*	7	9	9	13	11	11	15	6	7	8	11	10	13	13	10	26	16	24	20	15	28
Don't know	6	6	6	8	6	-	-	6	5	4	8	6	-	-	4	8	16	11	10	-	-