

Churn, Spend and Broadband Usage

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Point Topic** provide focused information on broadband communications services and its website is internationally recognised as one of the best sources of information on broadband.

In its quest to provide key statistics and other data for the benefit of the world broadband industry, free of charge, Point Topic commissioned B2B International to survey 1000 businesses to discover the decision-making factors in various broadband issues, including ICT drivers and churn, spending on broadband and security, online activity, internet usage and applications.

Reliability is increasingly the driver over low prices in users' choice of ISP, closely followed by quality of service. Around 12% of businesses say they changed ISP in the 6 months up to March 2007 – this churn rate has remained similar to a year ago. Companies more likely to churn are those involved in media, computer, internet or online retailing.

B2B's Matt Powell, in charge of the research, says "internet dependency is growing. In May 2006, about half of all workplaces still found the loss of internet not very or not at all disruptive yet by March 2007 this group shrunk to just under 20%. Now more than 80% of workplaces say loss of internet for a whole day would be disruptive to their business whilst more than a third (36%) believe loss of the internet would be extremely disruptive."

Use of passwords and anti-spam tools are used by all sizes of businesses. Apart from the very smallest companies (1-2 people), offsite backup is above 35% for businesses with under 5 employees rising to take-up of 50% of businesses above 20 employees. The more serious measures such as recovery plans, regulatory compliance and usage monitoring are correlated heavily with the size of company.

Email (90%), information searches (75%), ordering online (71%) and large file transfers (61%) continue to dominate online activity in UK businesses, with more than 60% of workplaces using the internet for these functions in the March 2007 survey.

Research shows that VPN take-up increases with the size of company across most types of company user. Home workers are the main users of VPNs, with over 40% of workplace home workers using VPN to access the company network.

Video conferencing has grown by more than 100% in the year to March 2007, while there has been a 58% growth in internet telephony (VoIP), according to respondents. Financial retail sites are found to be the most VoIP-ready workplaces, with more than 30% of them using it.

Point Topic conduct regular independent surveys into business broadband issues.