

**Scribner Technology Committee's
Assessment of Telecommunications Needs**

Business Study Highlights

This summary is based on 35 responses received from businesses in Scribner. Generally, the proportions reported are based on those answering the question unless otherwise noted. In some instances (such as questions about Internet use), the proportion not responding was approximately one-third of the respondents. There were two businesses responding to the survey who were much larger than the others. Therefore, in some instances the results are reported with these two outliers excluded since they are not typical of the other businesses in the community.

Business Profile

- The businesses had an average of 7.2 full-time employees. Excluding the two larger businesses, the average number of full-time employees was 3.1. Thirty-seven percent of the businesses reported only one full-time employee. Sixty-three percent of the businesses had three or fewer full-time employees.
- Thirty-two percent were service businesses, 21% were in wholesale/retail sales and 12% of the businesses were involved in agriculture.
- All of the businesses said they serve a local customer base, 62% serve a regional base, 18% have a national customer base and 3% serve an international base.
- Forty-nine percent of the businesses plan to stay the same size in the next 3 - 5 years, while 37 percent plan to expand.

Businesses' Current Use of Telecommunications

- The businesses have an average of 2.4 voice telephone lines, 0.8 fax lines and 0.57 data lines. The averages excluding the two larger businesses were: 1.75 voice lines, 0.54 fax lines and 0.36 data lines. Sixty-six percent of the businesses said they have no data telephone line.
- Twenty percent have an 800 or toll free phone number. Of those having one, they had an average of 1.14 numbers. Only one business had more than one 800 or toll-free number.
- The majority of businesses (78%) said most of their incoming telephone calls were local calls. Twenty-two percent reported receiving mostly non-local calls.
- When asked how frequently they use various telephone features, many businesses reported using the following features "often": voice mail (19%), caller ID (16%) and call forwarding (10%).

- Sixty-nine percent of the businesses routinely use a fax machine. The average number of fax machines was 1.4 (1.1 excluding the two larger businesses). They report sending and receiving an average of 44.1 faxes on a weekly basis.
- Over one-half (57%) currently use wireless service. Of those, they have an average of 2.5 wireless phones, pagers or other devices (2.2 excluding the two larger businesses).
- None of the businesses currently use video conferencing.
- Seventy-four percent of the businesses use computers. The average number of computers used by the businesses is 10.1 (3.1 excluding the two larger businesses). Forty-two percent of the businesses with computers report using only one computer. Of those having computers, 83 percent said their computers are connected (sharing files/programs or hardware or an Internet connection).
- Ninety-two percent say their computers are connected to the Internet. Sixty-three percent of those connect through a dial-up connection and 25% connect through a satellite. Thirteen percent did not know how they were connected. Forty-four percent said their connection speed is 56 kbps through a modem dial-up connection. Twenty-eight percent have a connection speed of 56 K through a dedicated leased telecommunications line. Eleven percent have a speed of 28.8 kbps through a modem dial-up connection and an additional 11 percent have a connection speed of T2, T3 or greater.
- One-third of the businesses (33%) evaluated the time it takes to download pages from the Internet as slow. Four percent said it was “very slow.” Forty-six percent said the time needed was normal and 17% said it was either fast (13%) or very fast (4%).
- An average of 8.42 employees have access to the Internet. Excluding the two largest businesses, the average is 2.84.
- Over one-half of the businesses report doing the following Internet activities: buying inventory, materials, supplies, products and/or services (58%); providing information to customers and/or clients (50%); searching for business information (67%); business e-mail (79%) and software updates (50%). Only 13 percent said they selling products or services using a Web site that allows transactions.
- The following proportions report doing the following Internet activities on at least a weekly basis: business e-mail (63%), searching for business information (42%), provide information to customers (42%), buy inventory, materials, supplies (30%), software updates (30%), accessing secure company intranet (28%), marketing products or services (27%), instant messaging (24%), sell products or services (23%), finding new markets/customers (22%), employee training (11%), checking out competitors (8%) and online banking (4%). None of the businesses have ever used an online auction like E-Bay to sell their business products.

- Thirty-four percent maintain a web page. The primary purpose was for information (55%). Nine percent reported the primary purpose was for marketing and nine percent said it was for sales. Forty-four percent of the businesses have a web server.

Businesses' Future Use of Telecommunications

- Sixty-five percent of the businesses say their need for telephone lines will not change in the next three years. Thirty-two percent say they will need an increase in their lines. Of those saying they will increase their lines, 73% will add at least one voice line, 36% will add at least one fax line and 36% will increase their data lines.
- Many businesses said their use of the following telephone features would increase by 30% or more over the next three years: voice mail (23%), telemarketing block (14%), caller ID (14%) and call forwarding (14%).
- One business doesn't currently use video conferencing, but plans to in the future.
- Twenty percent say there are pressures on their business for faster data transfer than what they currently have. And, 25 percent say there are other electronic business pressures on their business.
- The proportion of businesses believing they will do the following Internet activities at least weekly three years from now are as follows: business e-mail (74%), provide information to customers (54%), buy inventory, materials, supplies (52%), searching for business information (50%), instant messaging (46%), marketing services or products (42%), accessing secure company intranet (40%), software updates (35%), sell products or services (33%), finding new markets/customers (33%), checking out competitors (31%), online banking (25%), and employee training (25%). For all of these activities, the businesses expect to use them more frequently than they do currently.
- Twenty percent of the businesses who do not currently use or perform these applications said they would if they had faster Internet connectivity.
- Forty percent of the businesses that do not currently maintain a Web page said they have thought about a web site for their business. Eighty-two percent of the businesses without a current Web site said they would be willing to develop a simple informational Web site that could be linked to a community web site or information network. When asked what is holding them back from having a Web site, 40 percent chose the "other" response. Twenty percent said time, 20 percent said they don't know where to start and 20 percent said the investment.

Businesses' Views of Telecommunications

- The most important factor when selecting a long distance telephone service provider for 57% of the businesses is cost. Thirty-one percent said the most important factor is quality of service.
- When asked what change they would make to their long distance telephone service, 17 percent mentioned cost, price or rates. Another 17 percent said they wouldn't change anything.
- When asked what change they would make to their local telephone service, 20 percent mentioned cost or rates. Twenty-three percent said they wouldn't change anything about their service.
- When asked what they would change about their wireless service, 11 percent mentioned better coverage or reception. Nine percent mentioned cost.
- Thirty-five percent say Internet access is critical to their business. An additional 15 percent said it is very important. Fifteen percent said it is not at all important.
- When asked about the importance of using the Internet for the following activities to their business, many felt they were either "extremely important" or "very important": business e-mail (46%), providing information to customers (41%), accessing secure company intranet (38%), software updates (37%), searching for business information (31%), finding new markets/customers (28%), buying inventory, materials, supplies (27%), marketing (23%), instant messaging (20%), sell products or services (15%), employee training (13%), online banking (8%) and checking out competitors (8%).
- Twenty-eight percent say quality of service is most important to their business when selecting an Internet service provider. Twenty-eight percent said cost was most important and 16% said speed was most important.
- Eighty-seven percent of the businesses are satisfied with their Internet service provider and the services offered.
- When asked what they could change about their Internet service provider, 29 percent mentioned faster speeds. Six percent mentioned cost.