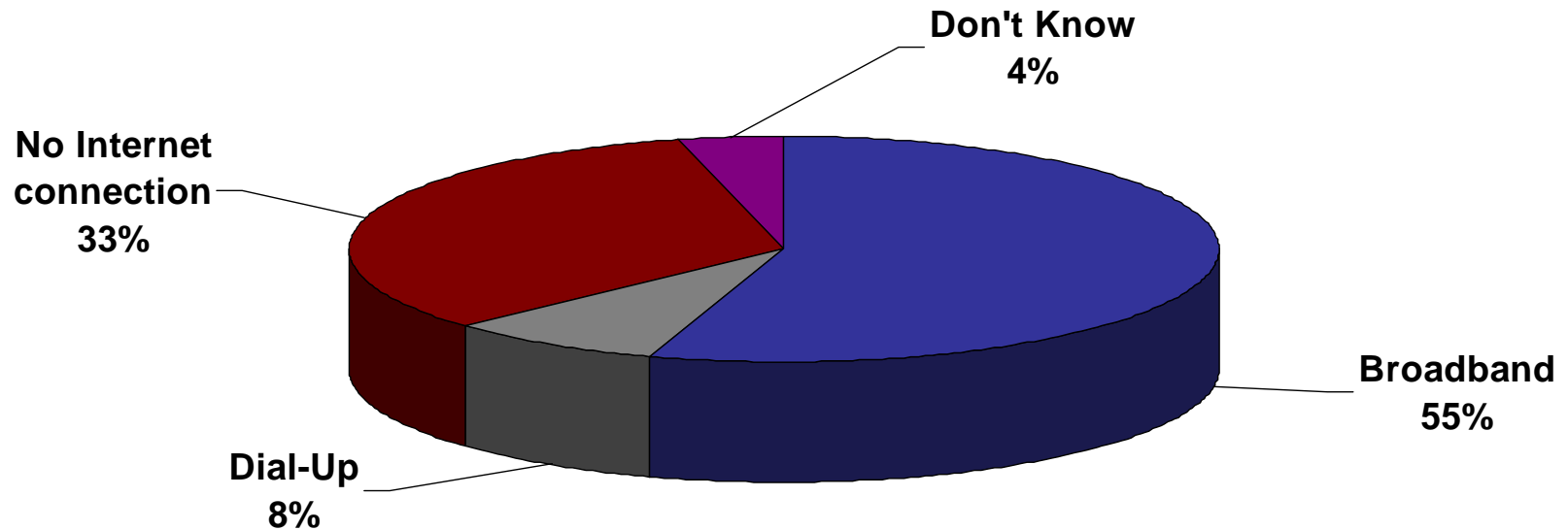




Broadband Adoption Among Tennessee Businesses

Broadband Adoption Among Tennessee Businesses

Percent of all Tennessee businesses that have:



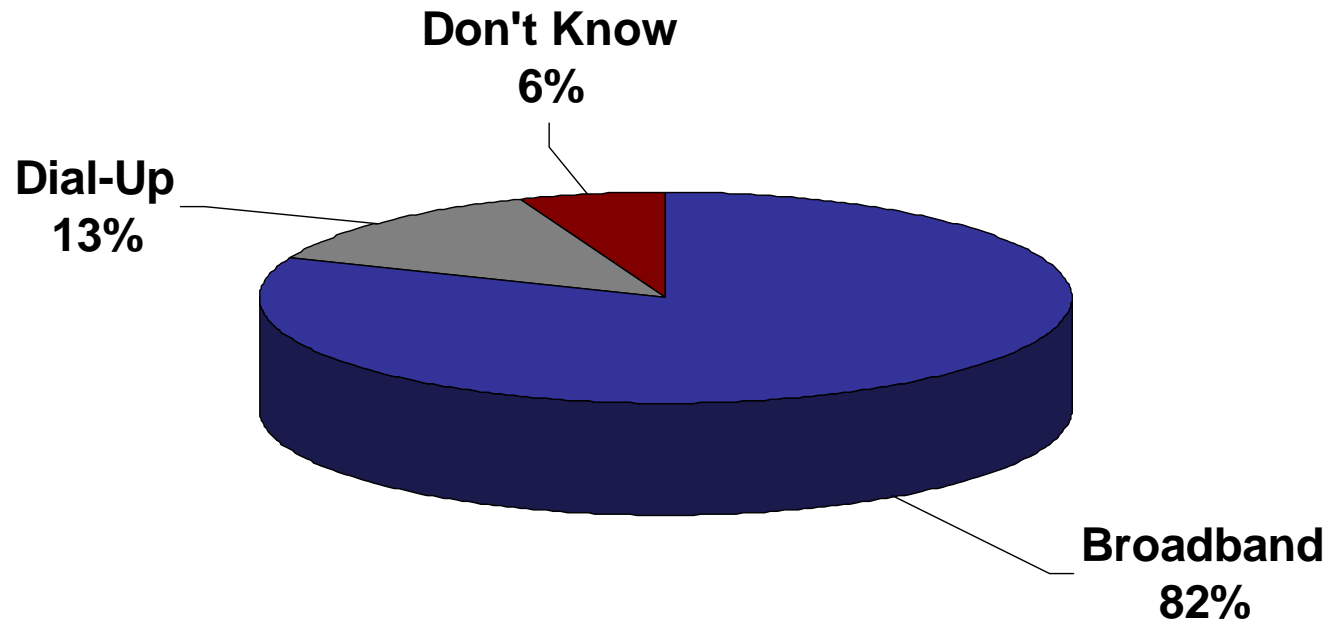
Fifty-five percent of all Tennessee businesses report having a broadband connection.

Q: Which of the following describes the type of Internet access your company has?
(n = 812 TN businesses)

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Broadband Adoption Among Internet-Connected Tennessee Businesses

Percent of Internet-connected businesses that access the Internet via:



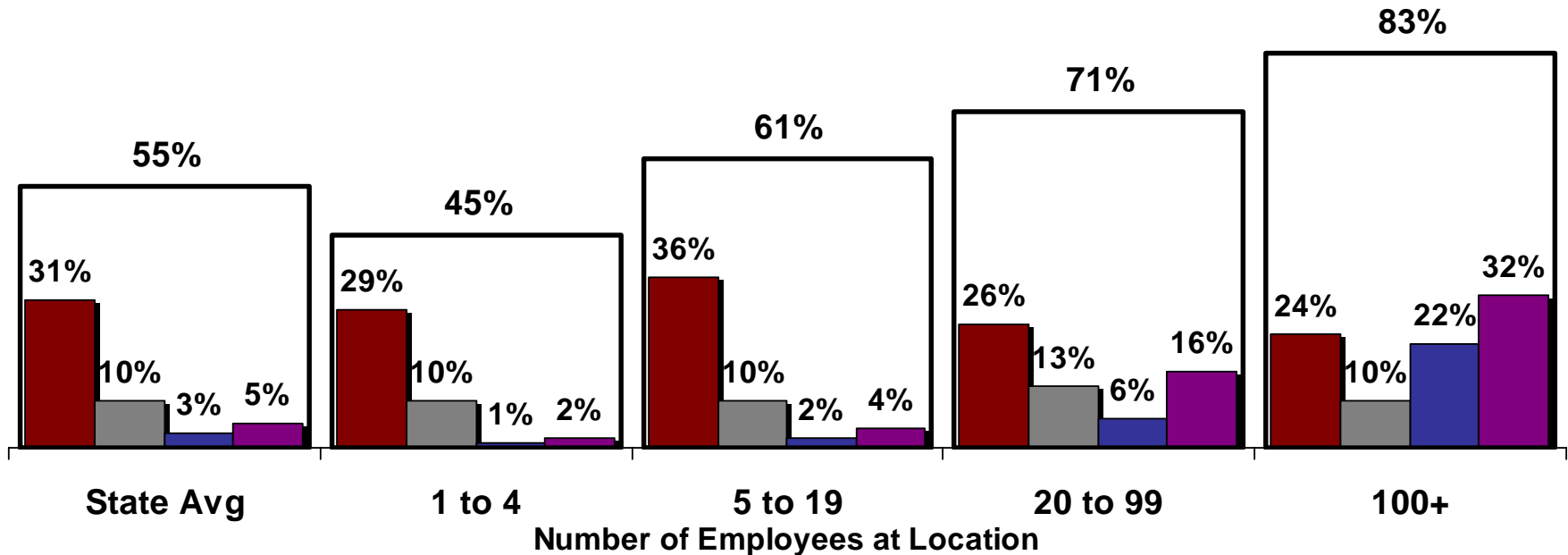
Eighty-two percent of all businesses that use the Internet do so via broadband.

Broadband Adoption by Company Size

Businesses with fewer than 100 employees primarily have DSL service, while businesses with 100 or more employees rely more heavily on dedicated or fiber-based services.

Type of Internet Access

■ DSL ■ Cable Modem ■ Fiber ■ Dedicated services □ Any Broadband



Q: Which of the following describes the type of Internet access your company has?

(n = 812 TN businesses)

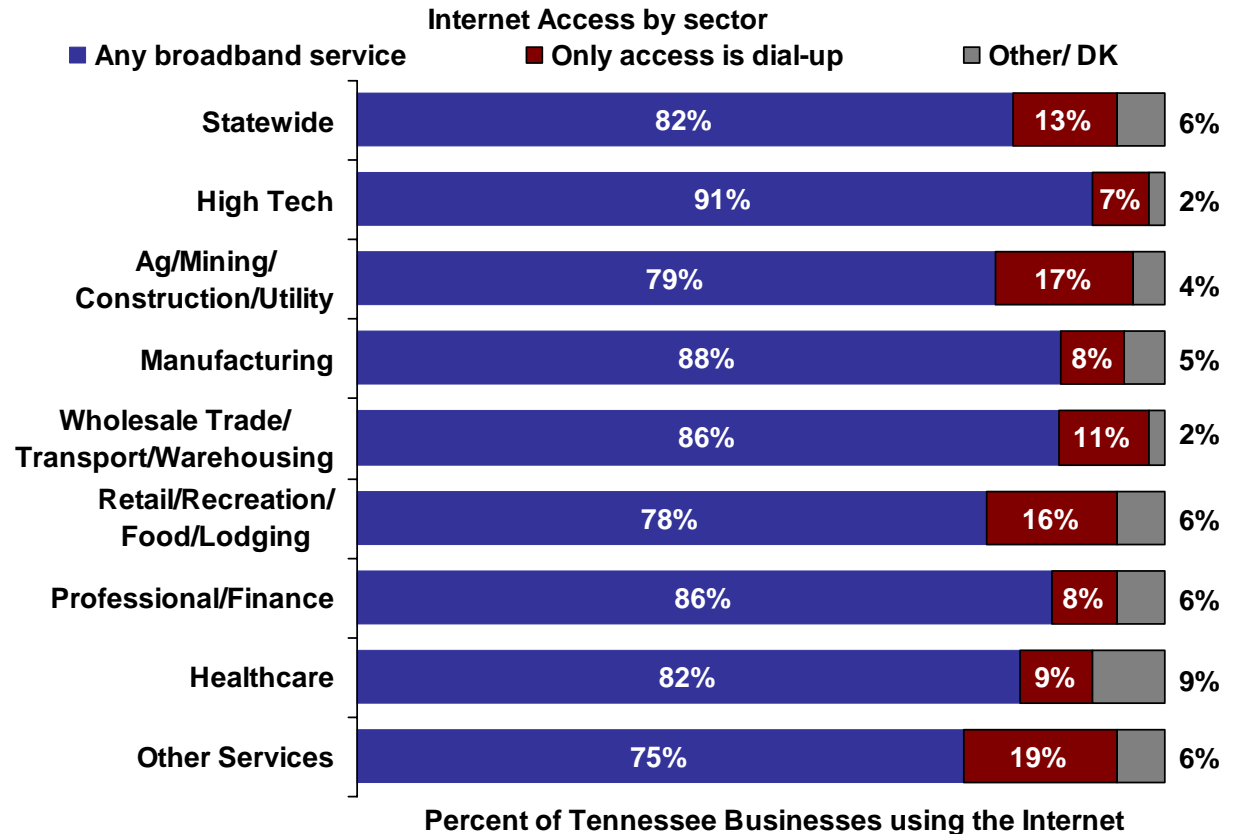
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Source: 2007 Connected Tennessee survey of businesses.

www.connectedtennessee.org

Broadband Adoption by Industry Sector

- Among Internet-connected businesses, broadband adoption is highest among High Tech businesses and the Manufacturing sector, but is significantly lower among the Retail/Recreation/Food/Lodging, Ag/Mining/Construction/Utility, and Other Services sectors.



Q: Which of the following describes the type of Internet access your company has?

(n = 542 TN businesses that use the Internet)

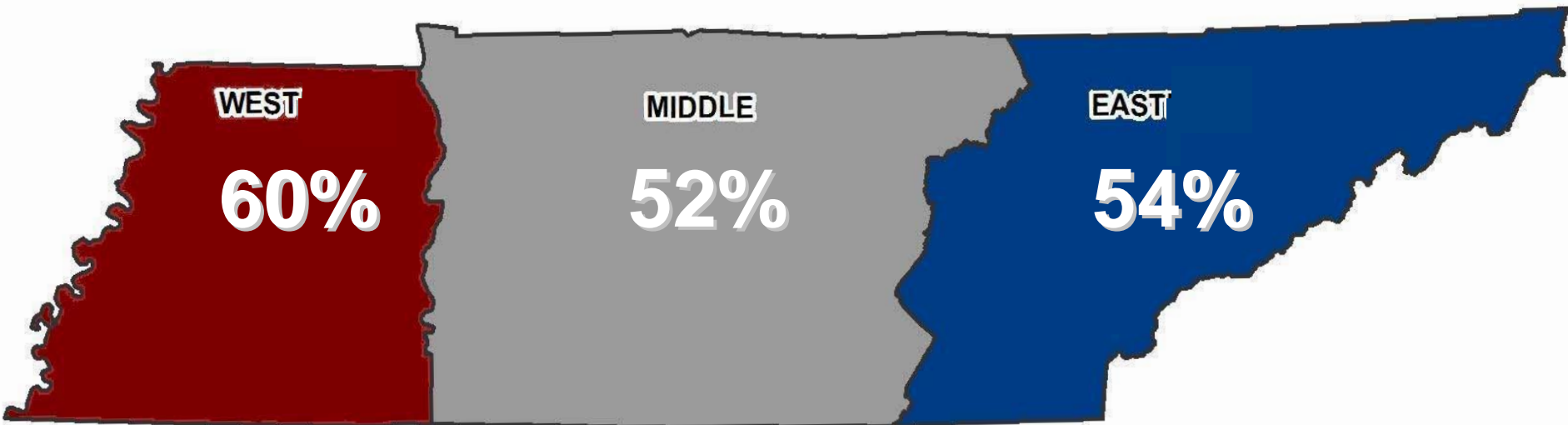
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Source: 2007 Connected Tennessee survey of businesses.

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Broadband Adoption by Tennessee Grand Division

Percent of businesses that use broadband:



Statewide Average: 55% of Tennessee businesses have a broadband connection.

Q: Which of the following describes the type of Internet access your company has?
(n = 812 TN businesses)

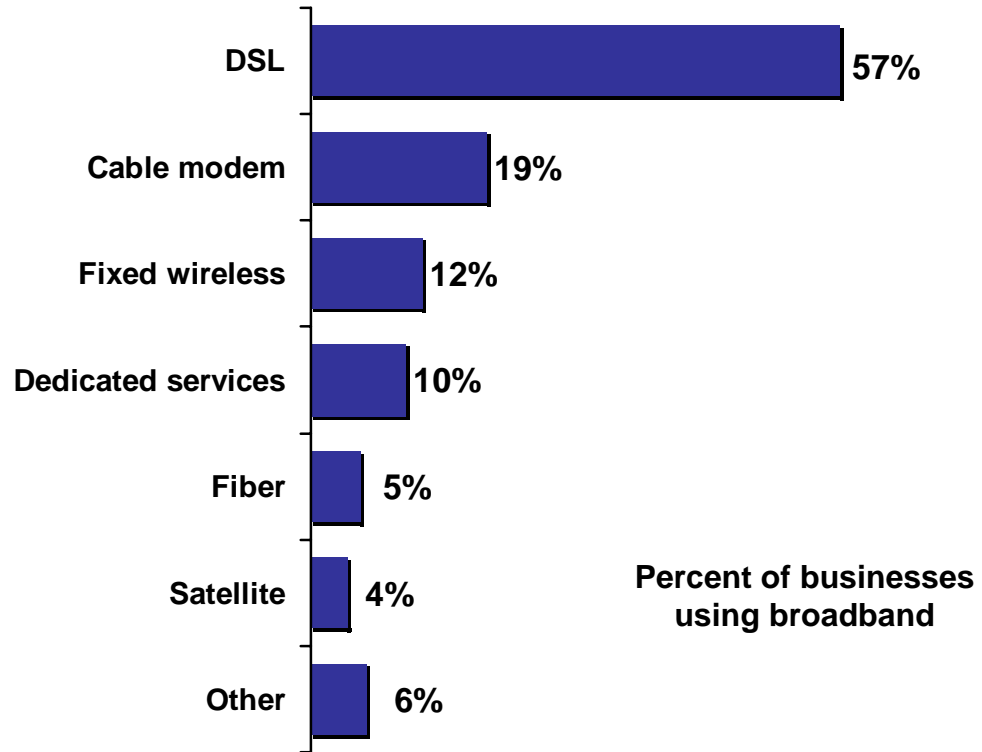
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Source: 2007 Connected Tennessee survey of businesses.



Methods of Broadband Access

- DSL lines serve over half of businesses with high-speed connections.
- Almost one in five broadband-connected businesses have cable modem connections.
- Fixed wireless broadband and dedicated services such as T-1 lines serve at least 10% of online businesses.
- Only 13% of online businesses rely exclusively on dial-up Internet access.

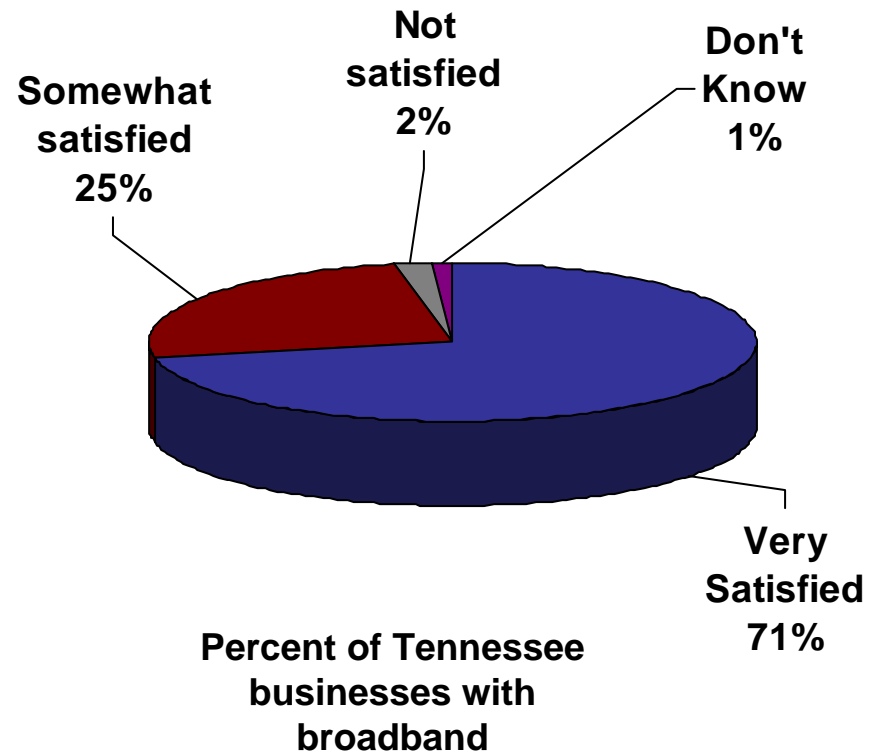


Q: Which of the following describes the type of Internet access your company has?
(n = 445 TN businesses that have a broadband connection)

Source: 2007 Connected Tennessee survey of businesses.

Satisfaction with Broadband

- Most Tennessee businesses with broadband are “Very Satisfied” with their current broadband situation.
- Another quarter of businesses are “Somewhat Satisfied,” meaning that 96% of Tennessee businesses have some level of satisfaction from their current broadband service.



Q: Which of the following describes the type of Internet access your company has?
(n = 445 TN businesses using a broadband connection)

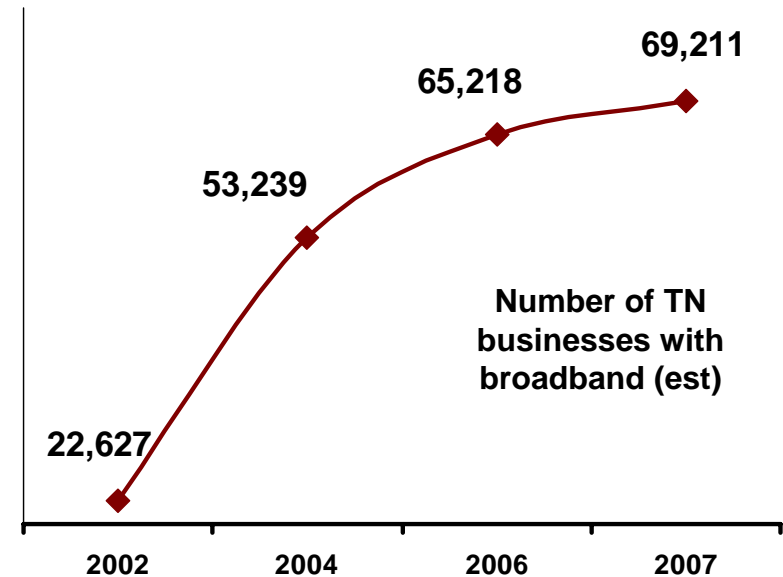
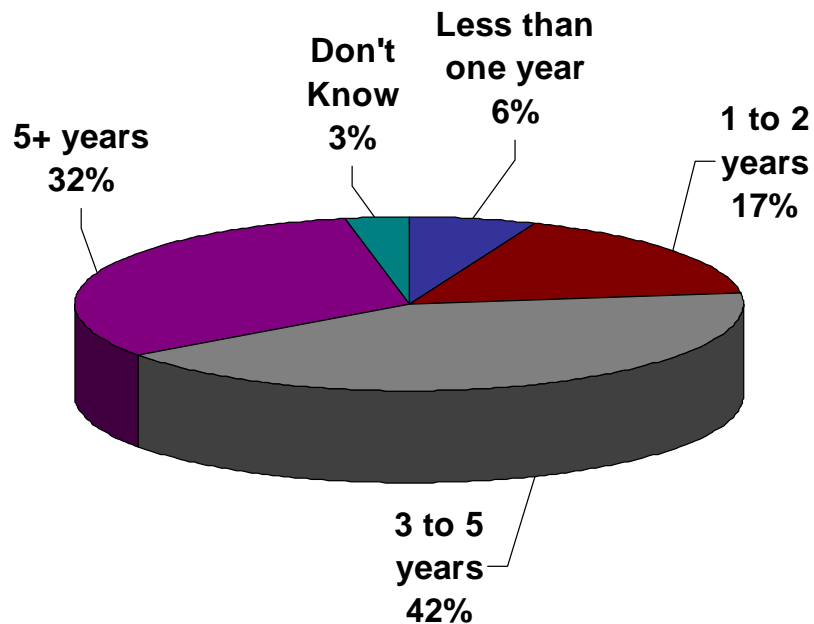
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Source: 2007 Connected Tennessee survey of businesses.

Years of Broadband Use

- The majority of companies using broadband service today began at least 3 years ago, with the average tenure being 4.7 years.

Tennessee businesses with broadband:

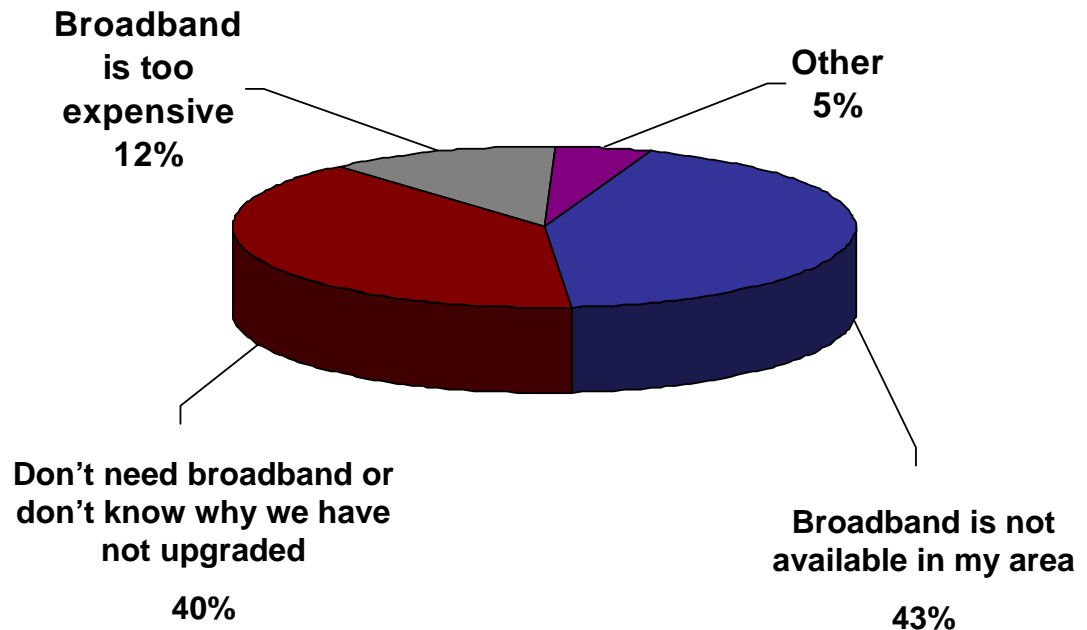


Q: How many years has your organization been using broadband service?
(n = 445 TN businesses with a broadband connection)

Source: 2007 Connected Tennessee survey of businesses.

Barriers to Broadband Adoption

- Among the 13% of businesses that rely exclusively on a dial-up connection, 43% cite a lack of local broadband availability as the reason they have not adopted.
- Almost as many (40%) say they don't need broadband, or they don't know why they have not upgraded to broadband.
- Cost is cited among only 12% of businesses that rely exclusively on dial-up service.



Q: Why doesn't your organization subscribe to broadband service?
(n = 68 TN businesses that access the Internet exclusively through dial-up)

Source: 2007 Connected Tennessee survey of businesses.