

AT&T Small Business Survey

September 2007



Objectives

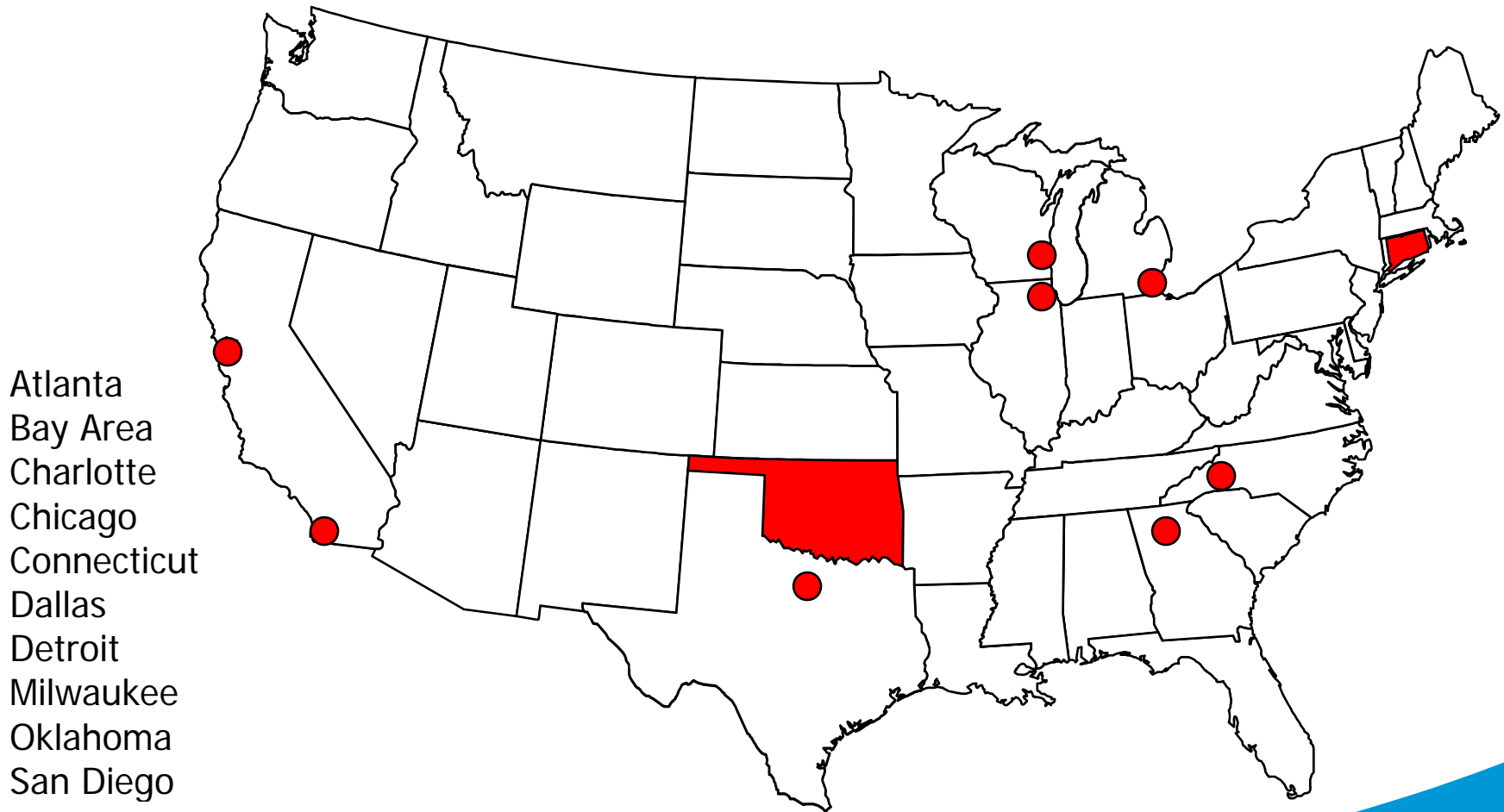
AT&T's **Small Business Group** and **AT&T Advertising and Publishing** co-sponsored research to:

- Generate media coverage and thought leadership, which in turn will increase awareness and consideration among small businesses, with....
- The end goal to increase orders for AT&T small business and advertising services.

Methodology

- Conducted telephone interviews with a total of 1,000 small businesses located in 10 geographically dispersed markets in the continental United States.
 - Total of 1,000 interviews with owners or employees who have primary responsibility for **information technology** for the business. One-hundred interviews in each market.
- Small businesses were defined as having between 2 and 25 employees, both part-time and full-time.
- The 10 markets for the study are exhibited on the next slide.

AT&T Small Business Markets



Methodology (cont.)

- Interviews were conducted between July 2 and August 10, 2007.
- The sampling error associated with a survey of 1,000 respondents is ± 3 percentage points for responses at or near 50% (95% confidence level).
- The sampling error associated with a survey of 100 respondents is ± 10 percentage points for responses at or near 50% (95% confidence level).
- To be considered statistically significant, responses between two samples of 100 respondents should be greater than the following (95% confidence level):

Approximate % Value		
20%/80%	25%/75%	50%/50%
11%	12%	14%

Wireless Data Security

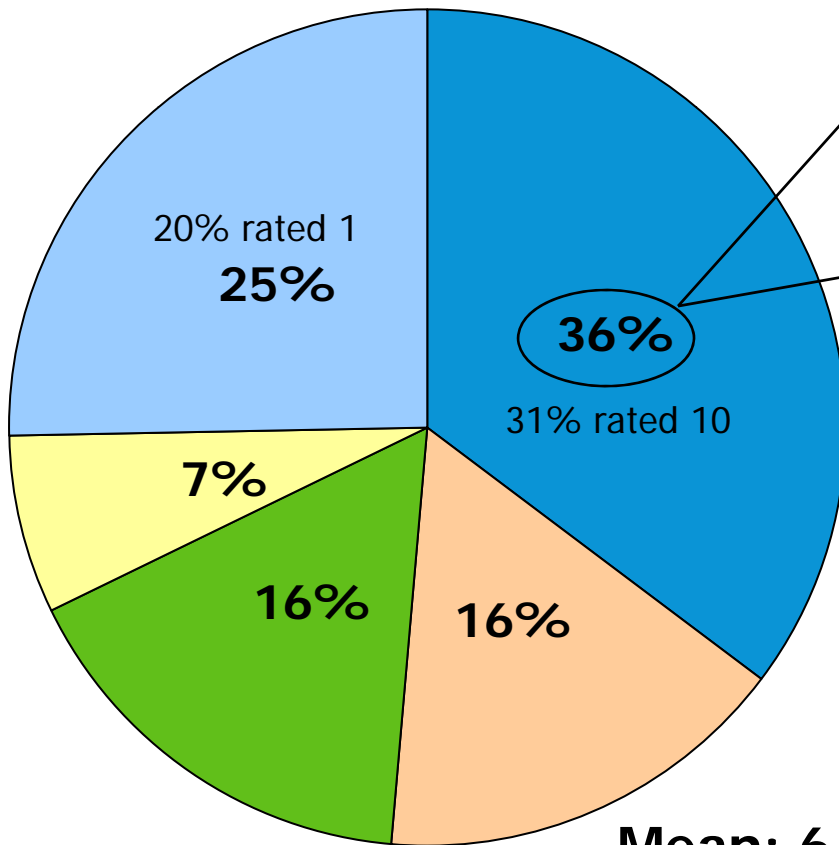


Summary of Findings: Wireless Data Security

- Half (52%) of small businesses are concerned about wireless data security for their business. Markets which are most and least concerned (9 or 10 on 10-point scale) are as follows:
 - Atlanta 47%
 - Oklahoma 25%
- Three-fourths (73%) of small businesses that use wireless technology have installed software, such as spam filters or antivirus protection.
- Two-thirds (65%) of small businesses that have not taken specific precautions against wireless threats have not done so because they don't think it's an issue with their business. Only 5% said it's too expensive, and 4% said they didn't know they should.

Concern with Wireless Data Security

(Q.14) Using a scale from 1 to 10, with 1 meaning "not a concern at all," and 10 representing "a major concern," how concerned are you about wireless data security for your business?



Mean: 6.12

Wireless importance	
Couldn't survive without it	53%
Major challenge without it	37%
Use it but don't need it	31%

Level of concern increases with degree of dependence on wireless

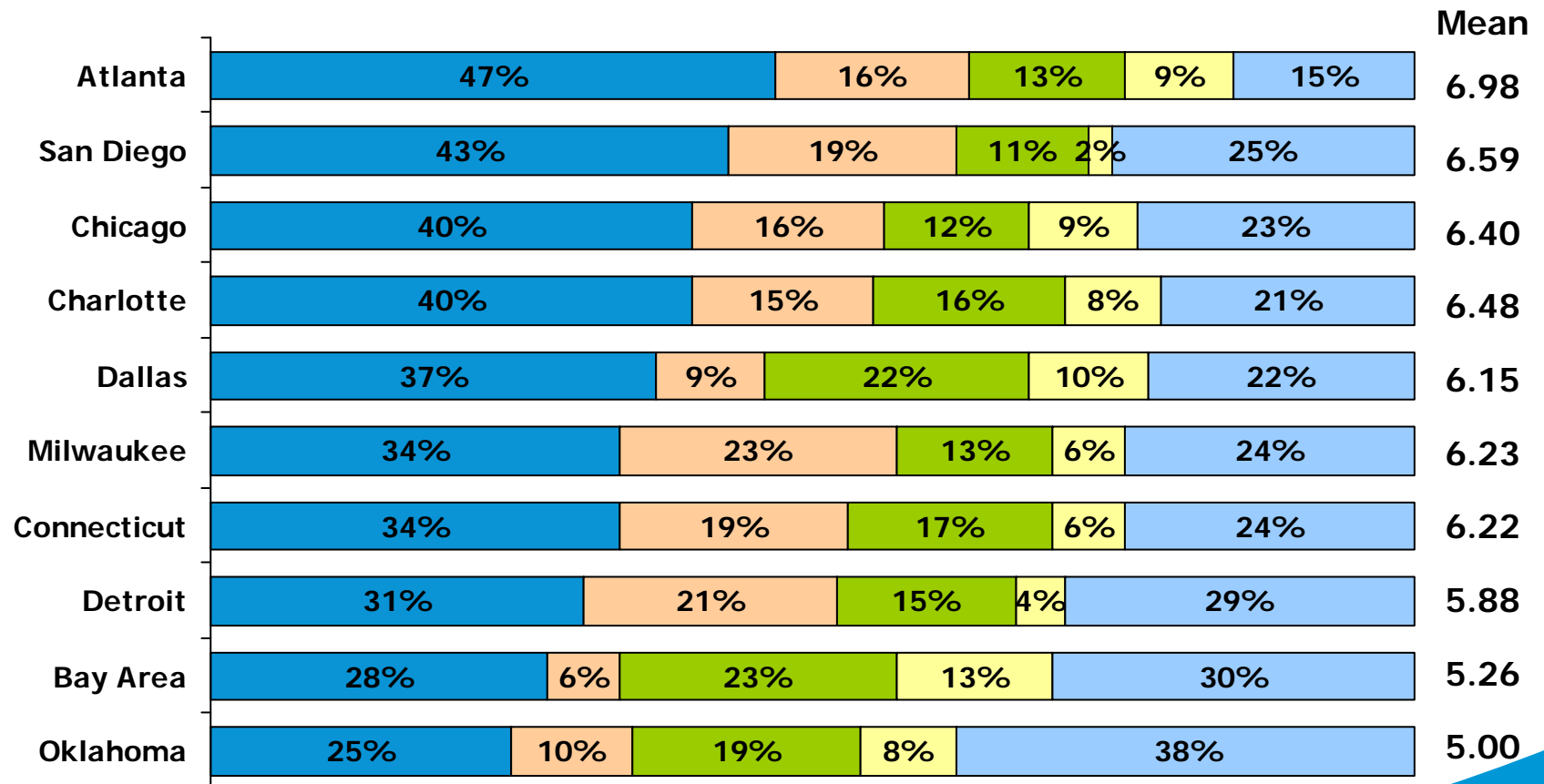
Use of wireless	
Mobile phone	37% (Least concerned)
WiFi	43%
PDA	46%
PC data card	42%

Concerned (net)	52%
Unconcerned (net)	32%

- Major concern (9-10)
- Somewhat concerned (7-8)
- Neither concerned nor unconcerned (5-6)
- Somewhat unconcerned (3-4)
- Not at all concerned (1-2)

Concern with Wireless Data Security

(Q.14) How concerned are you about wireless data security for your business? (On a scale from 1 to 10)

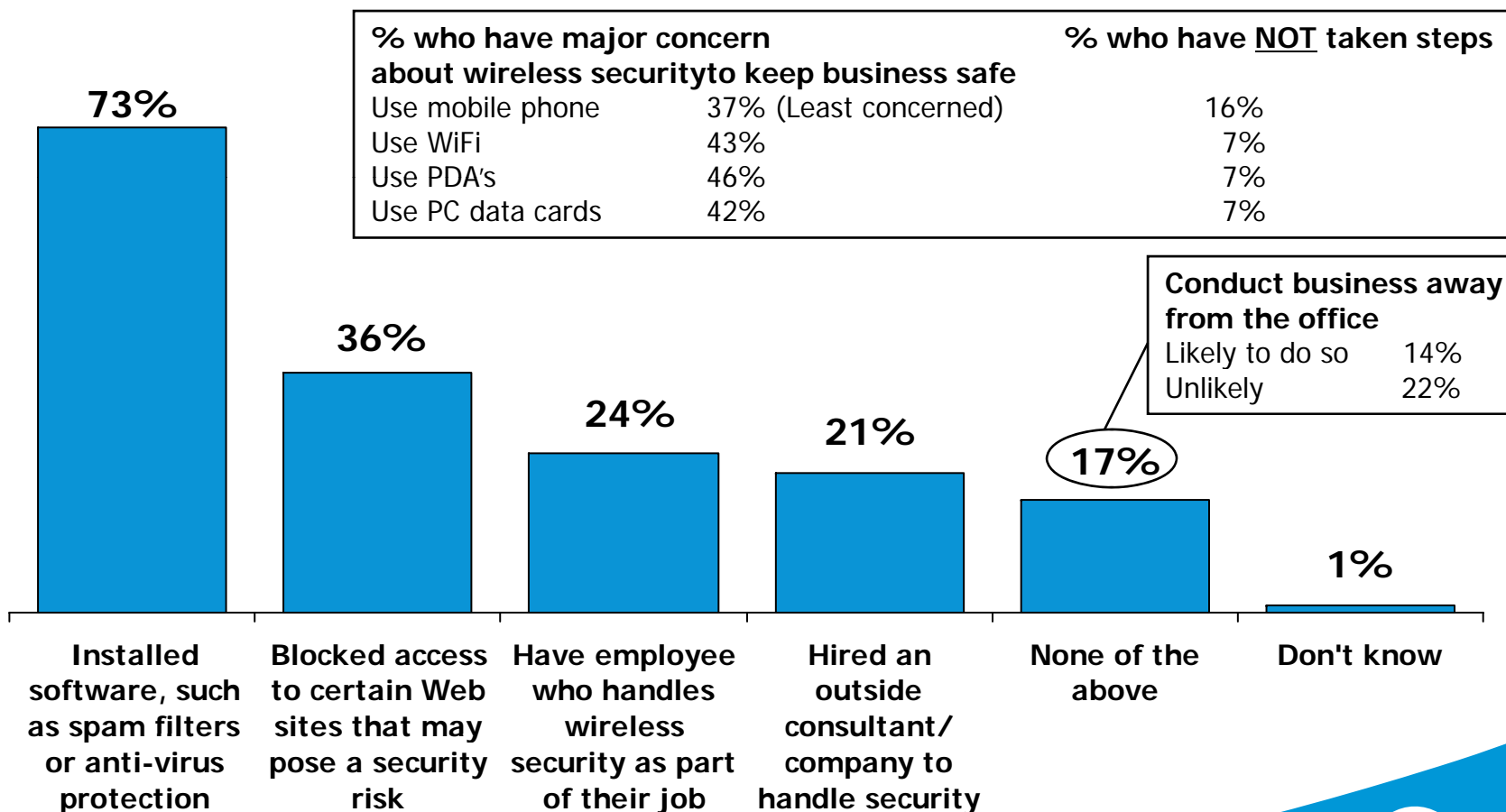


- Major concern (9-10)
- Somewhat concerned (7-8)
- Neither concerned nor unconcerned (5-6)
- Somewhat unconcerned (3-4)
- Not concerned at all (1-2)



Addressing Wireless Security Threats

(Q.15) Which, if any, of the following steps have you taken to help keep your business safe from wireless security threats?

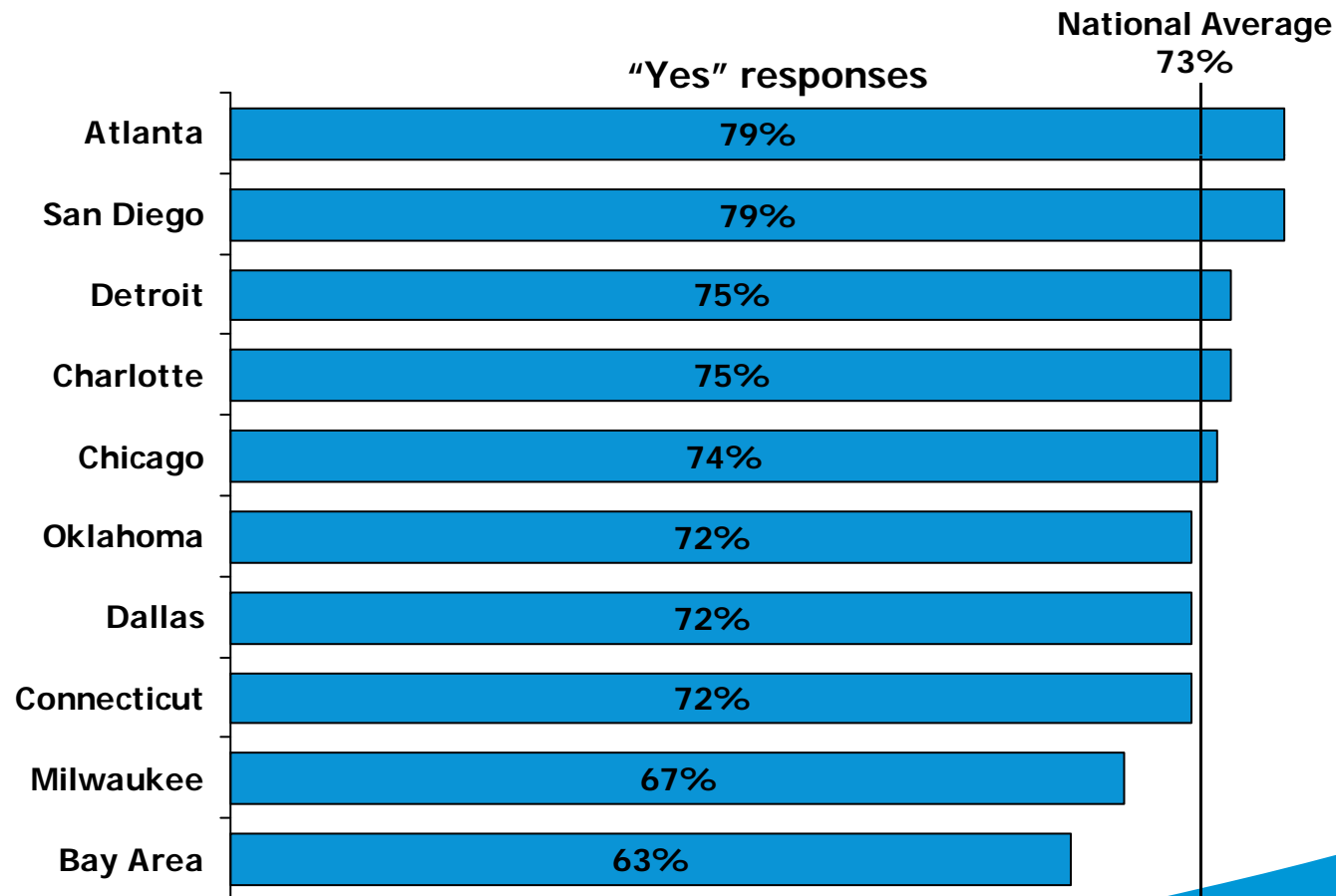


(BASE=Use wireless technology, n=876)

Addressing Wireless Security Threats

(Q.15) Which, if any, of the following steps have you taken to help keep your business safe from wireless security threats?

Installed software, such as spam filters or anti-virus protection

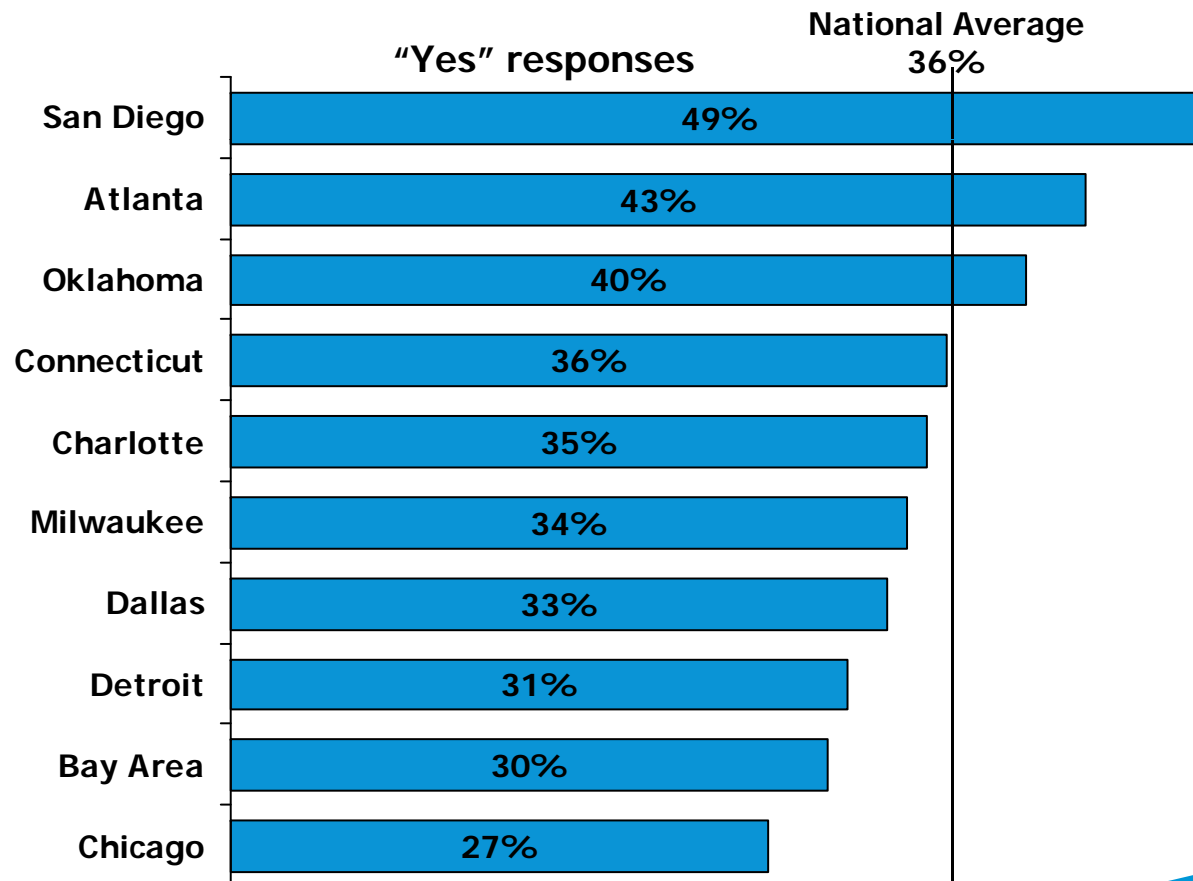


(BASE=Use wireless technology, n=876)

Addressing Wireless Security Threats

(Q.15) Which, if any, of the following steps have you taken to help keep your business safe from wireless security threats?

Blocked access to certain Web sites that may pose a security risk

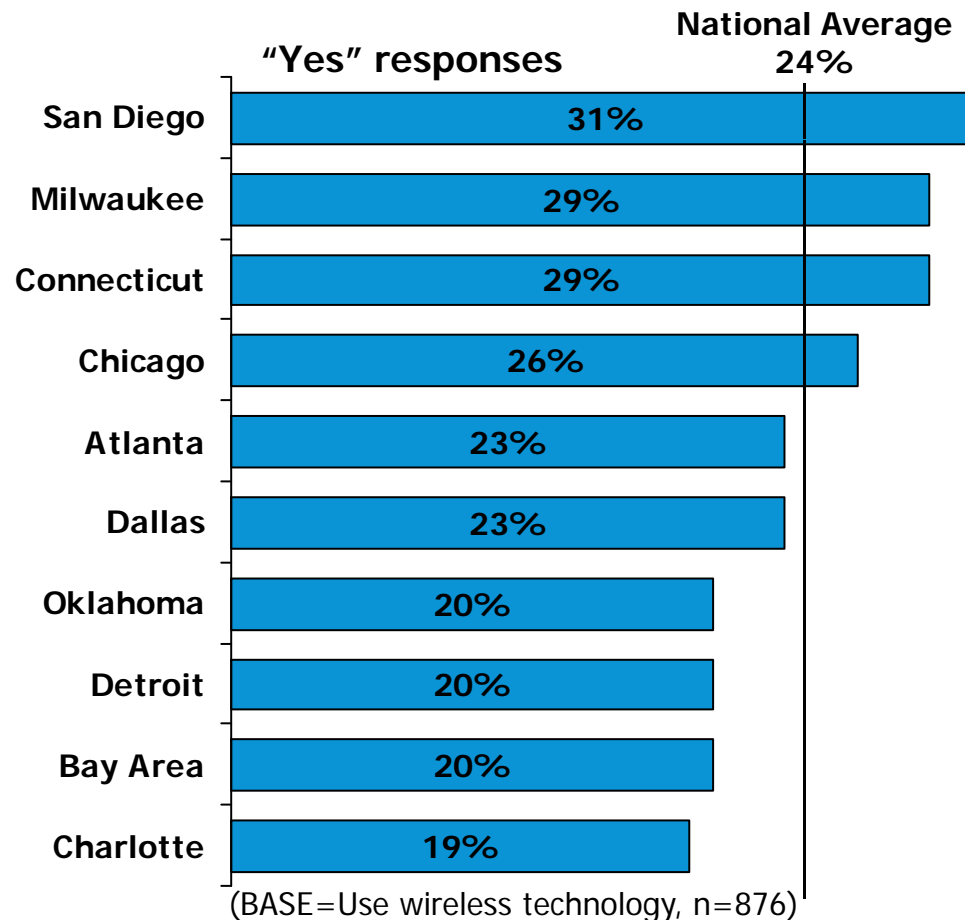


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Addressing Wireless Security Threats

(Q.15) Which, if any, of the following steps have you taken to help keep your business safe from wireless security threats?

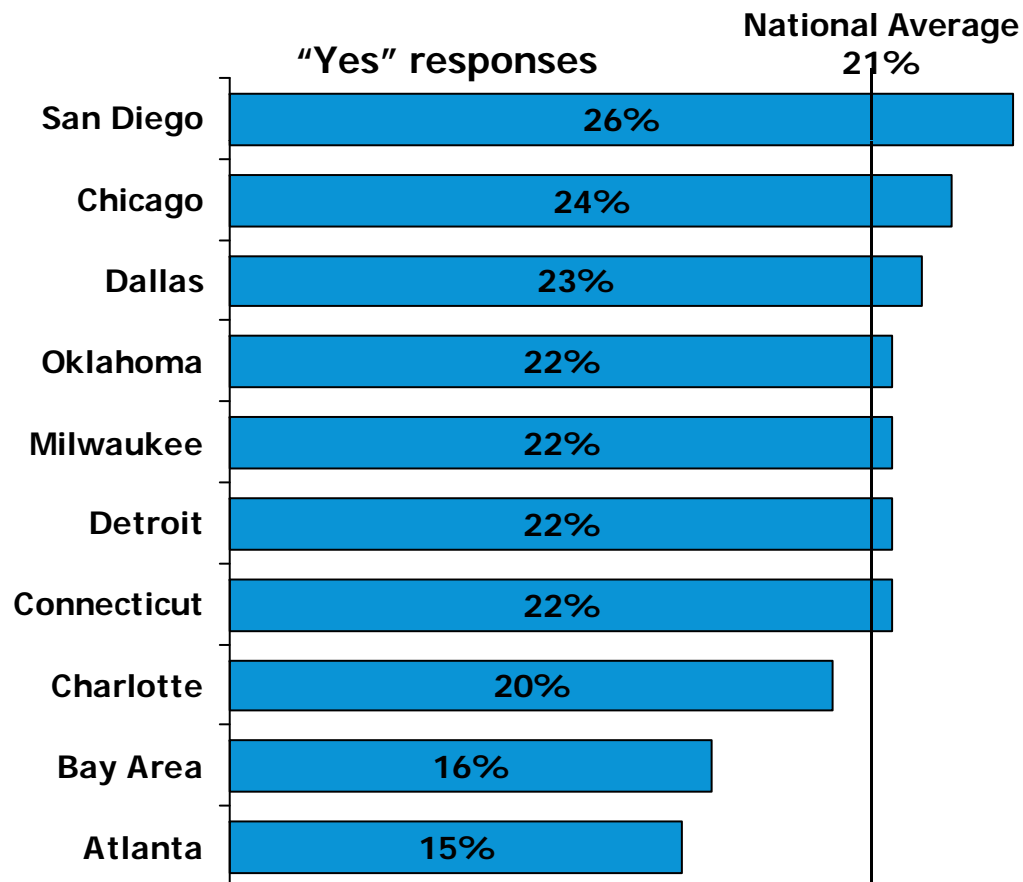
Have employee who handles wireless security as part of his/her job



Addressing Wireless Security Threats

(Q.15) Which, if any, of the following steps have you taken to help keep your business safe from wireless security threats?

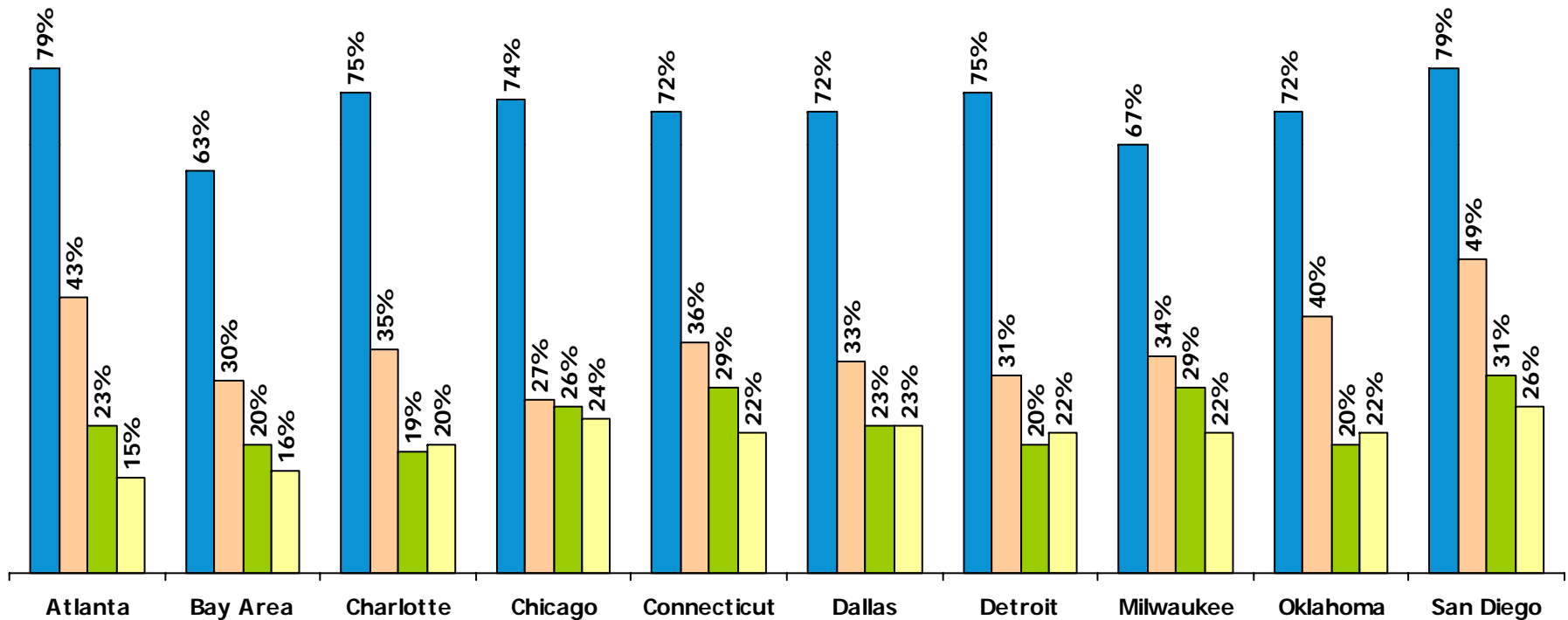
Hired an outside consultant/company to handle security



(BASE=Use wireless technology, n=876)

Addressing Wireless Security Threats

(Q.15) Which, if any, of the following steps have you taken to help keep your business safe from wireless security threats?

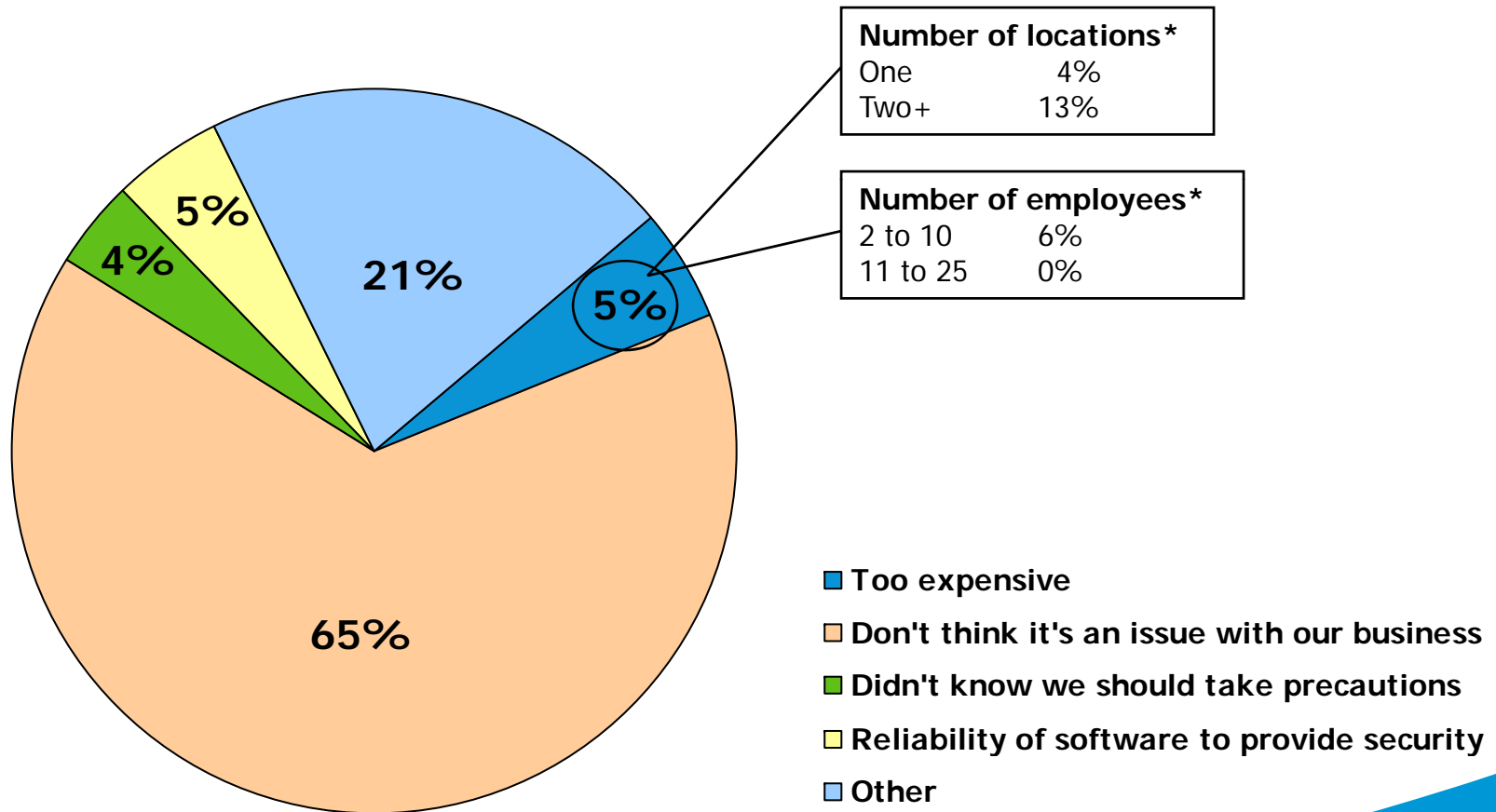


(BASE=Use wireless technology, n=876)

- Installed software, such as spam filters or anti-virus protection
- Blocked access to certain Web sites that may pose a security risk
- Have employee who handles wireless security as part of his/her job
- Hired an outside consultant/company to handle security

Reasons for not Taking Precautions Against Wireless threats

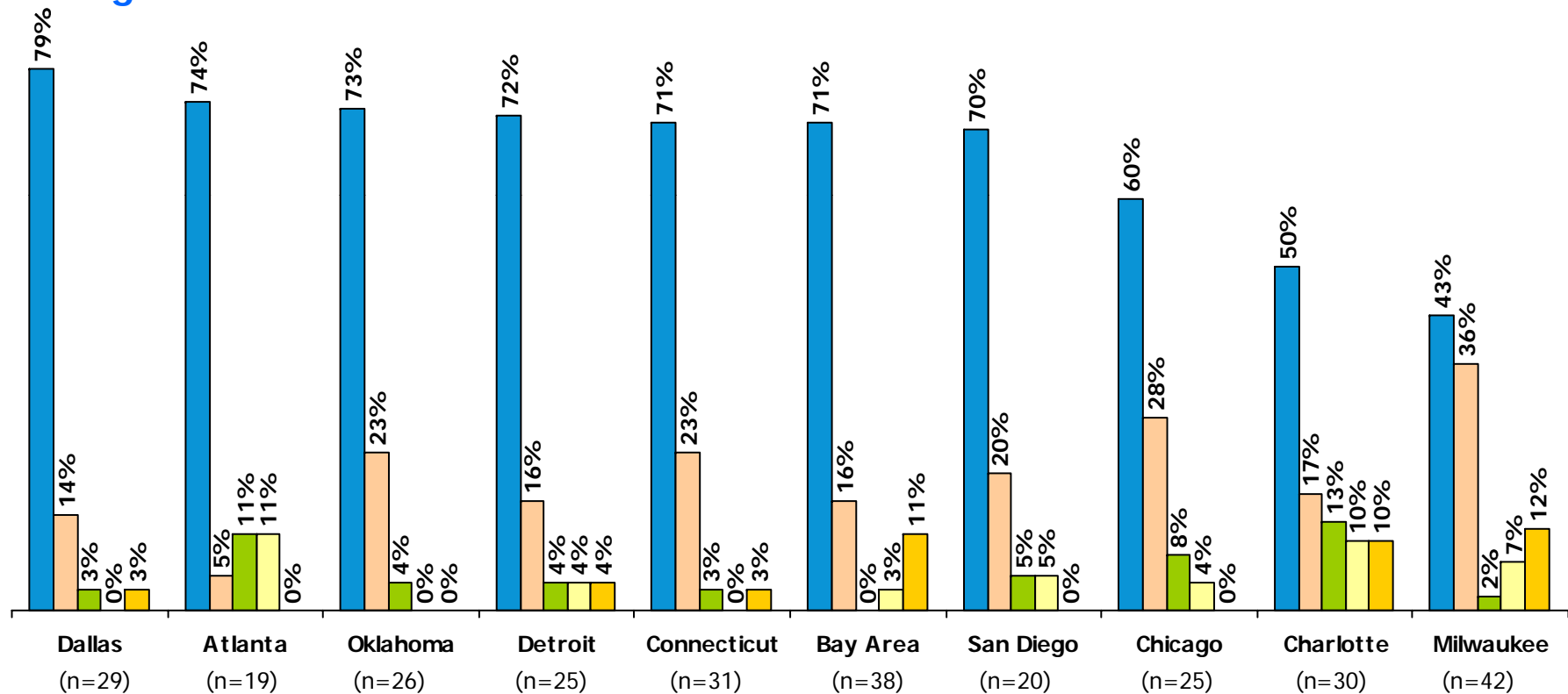
(Q.16) What is the primary reason you have not taken specific precautions against wireless threats?



(BASE=Takes no precautions against wireless threats, n=285)

Reasons for not Taking Precautions Against Wireless Threats

(Q.16) What is the primary reason you have not taken specific precautions against wireless threats?



- Don't think it's an issue with our business
- Other
- Too expensive
- Didn't know we should take precautions
- Reliability of software to provide security

(BASE= Takes no precautions against wireless threats, n=285)

CAUTION: Small Sample Sizes



Online Data Security

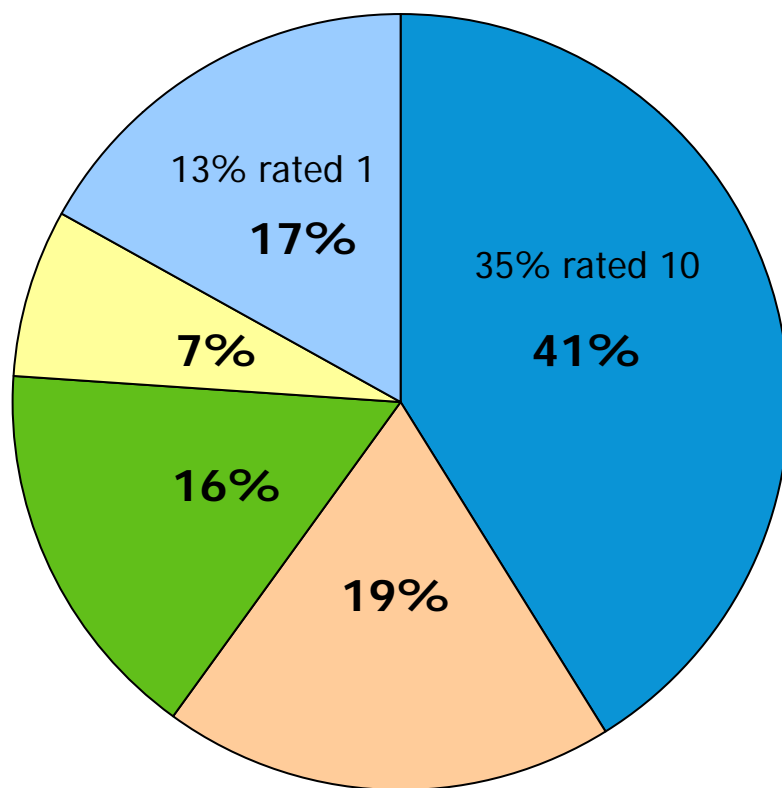


Summary of Findings: Online Data Security

- More than half (60%) of small businesses are concerned about online data security for their business. Markets which are most and least concerned (9 or 10 on 10-point scale) are as follows:
 - Chicago 54%
 - Bay Area 34%
- Eight out of ten (82%) small businesses that use computers have installed software, such as spam filters or antivirus protection.
- Two-thirds (65%) of small businesses that have not taken specific precautions against online threats have not done so because they don't think it's an issue with their business. Only 5% said it's too expensive, and 3% said they didn't know they should.

Concern with Online Data Security

(Q.17) Using a scale from 1 to 10, with 1 meaning "not a concern at all," and 10 representing "a major concern," how concerned are you about computer and online data security for your business?



Concerned (net)	60%
Unconcerned (net)	24%

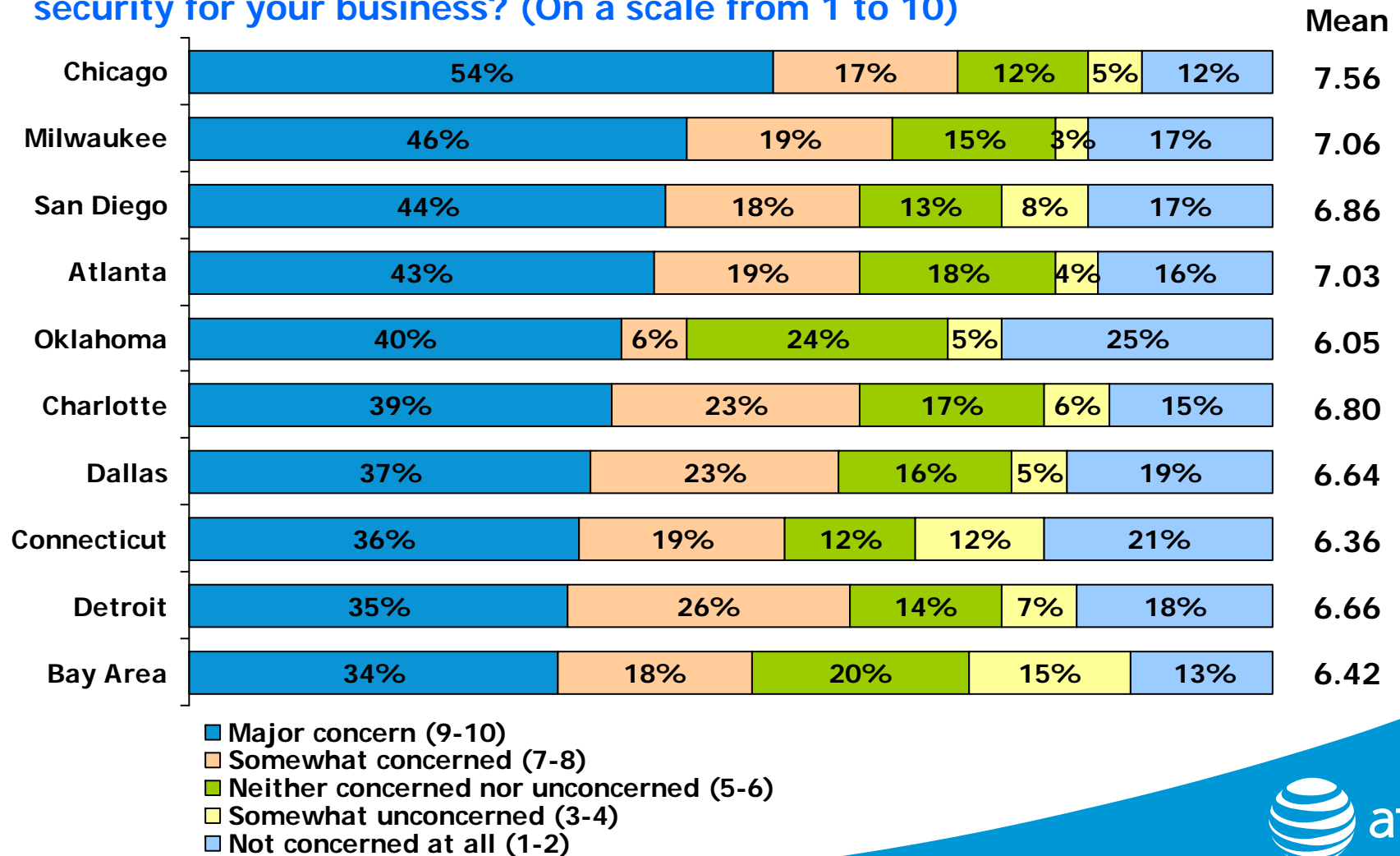
- Major concern (9-10)
- Somewhat concerned (7-8)
- Neither concerned nor unconcerned (5-6)
- Somewhat unconcerned (3-4)
- Not at all concerned (1-2)

Mean: 6.75

(BASE=Use a computer at work, n=951)

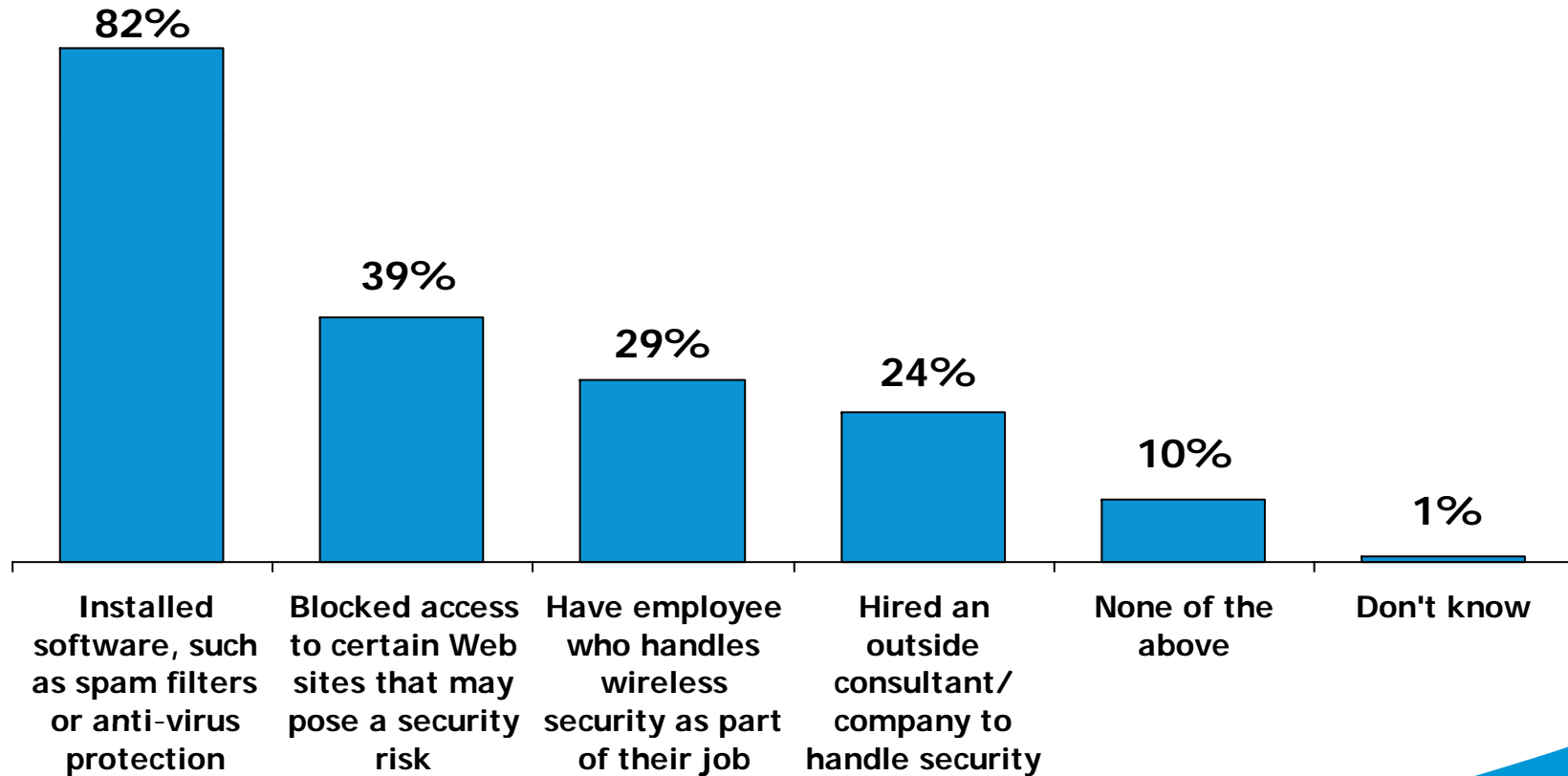
Concern with Online Data Security

(Q.17) How concerned are you about computer and online data security for your business? (On a scale from 1 to 10)



Addressing Online Security Threats

(Q.18) Which of the following steps have you taken to help keep your business safe from online computer security threats?

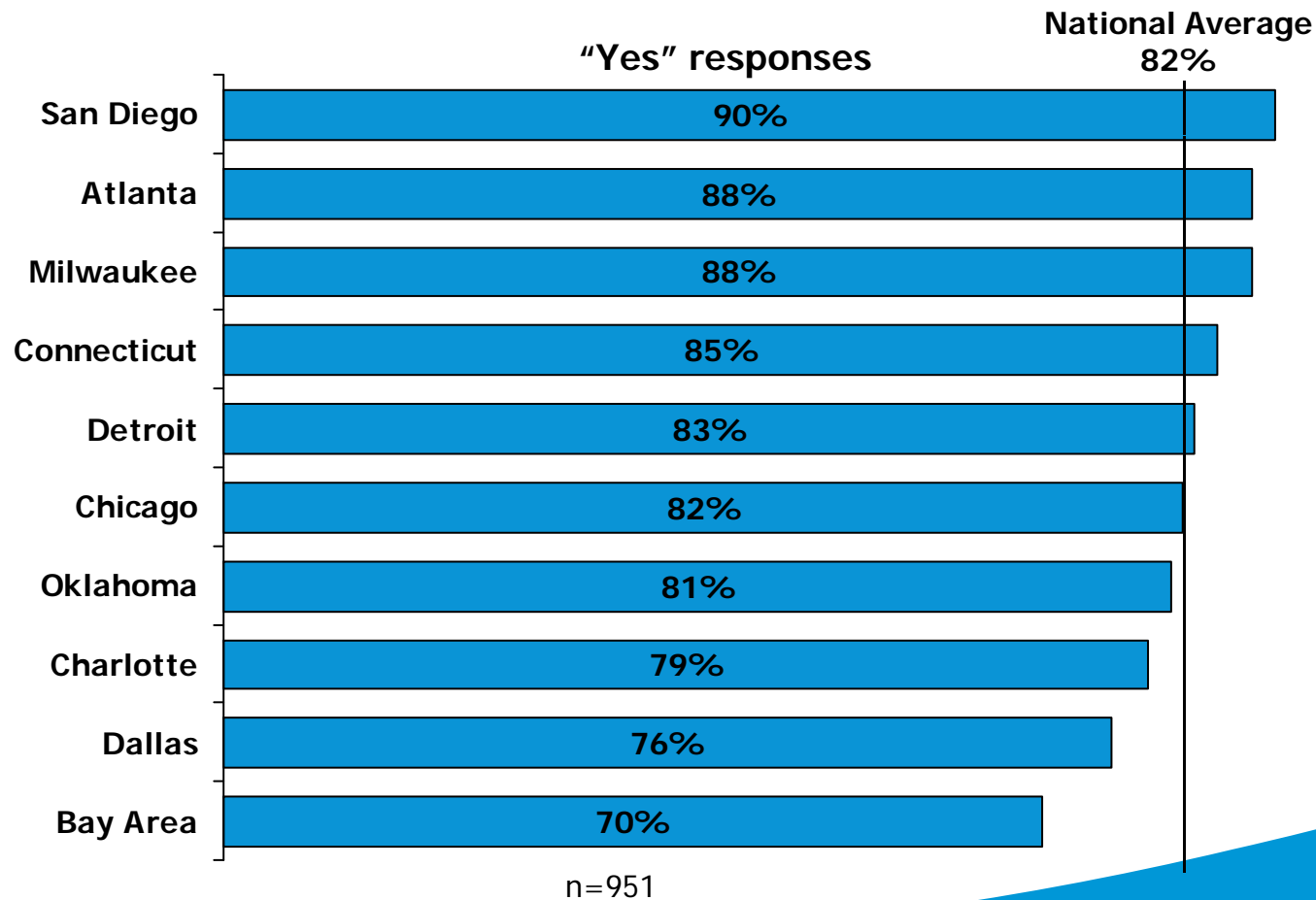


(BASE=Use a computer at work, n=951)

Addressing Online Security Threats

(Q.18) Which of the following steps have you taken to help keep your business safe from online computer security threats?

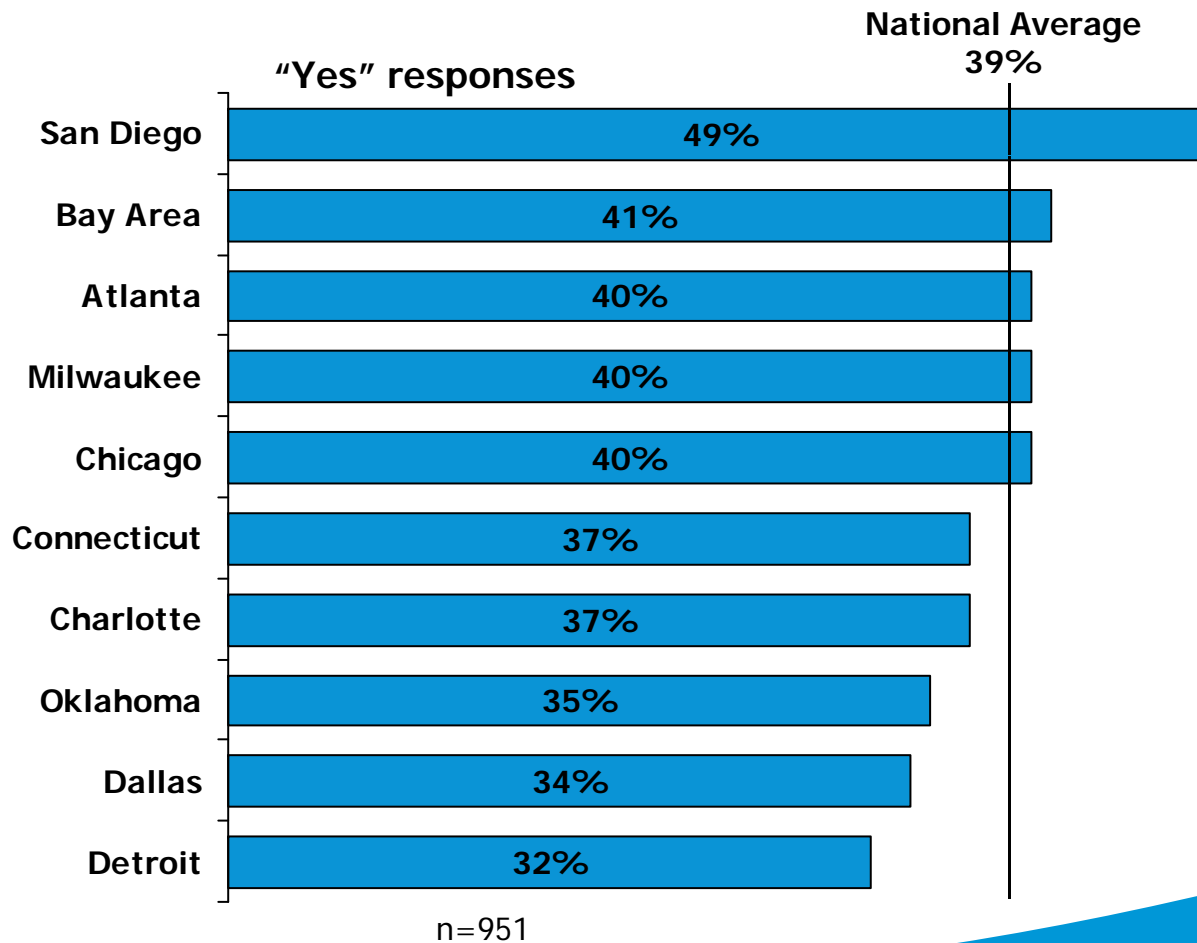
Installed software, such as spam filters or anti-virus protection



Addressing Online Security Threats

(Q.18) Which of the following steps have you taken to help keep your business safe from online computer security threats?

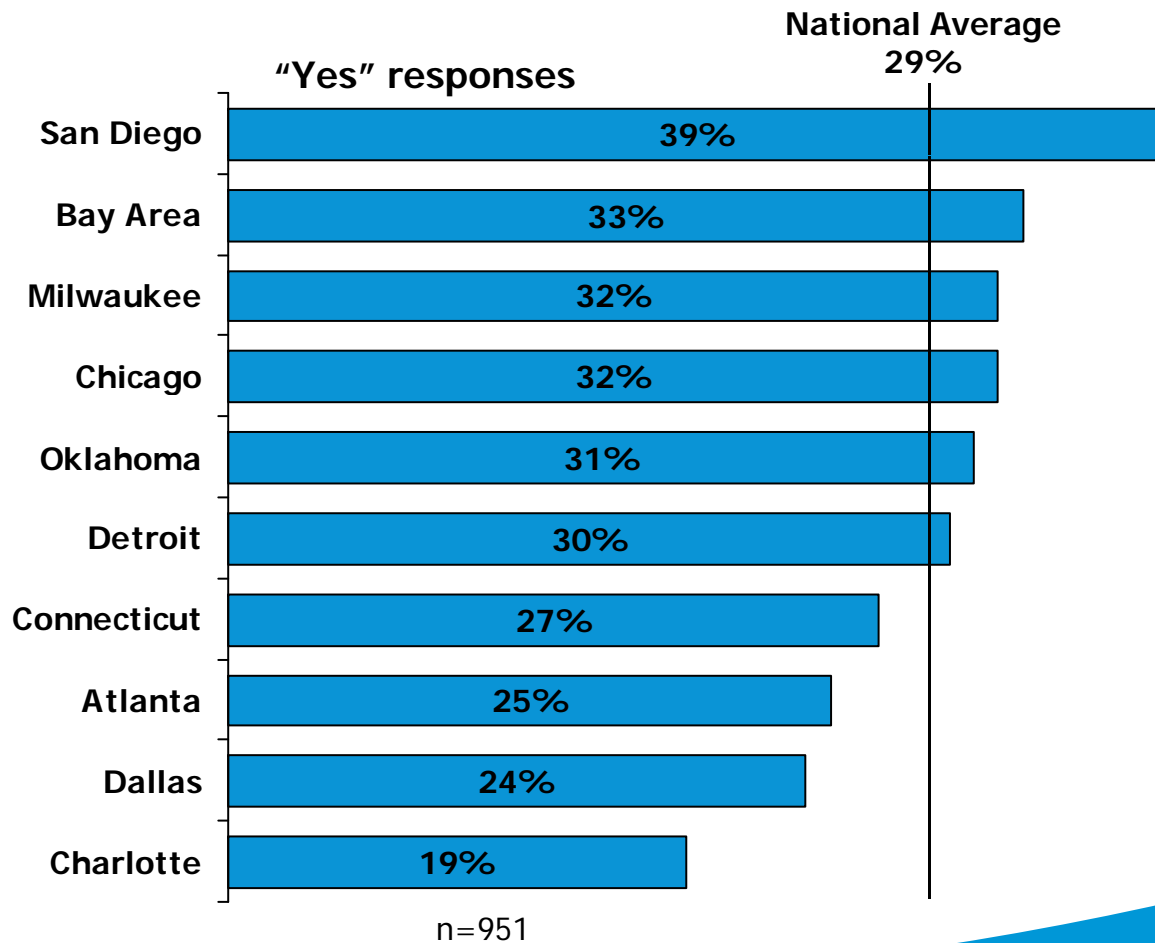
Blocked access to certain Web sites that may pose a security risk



Addressing Online Security Threats

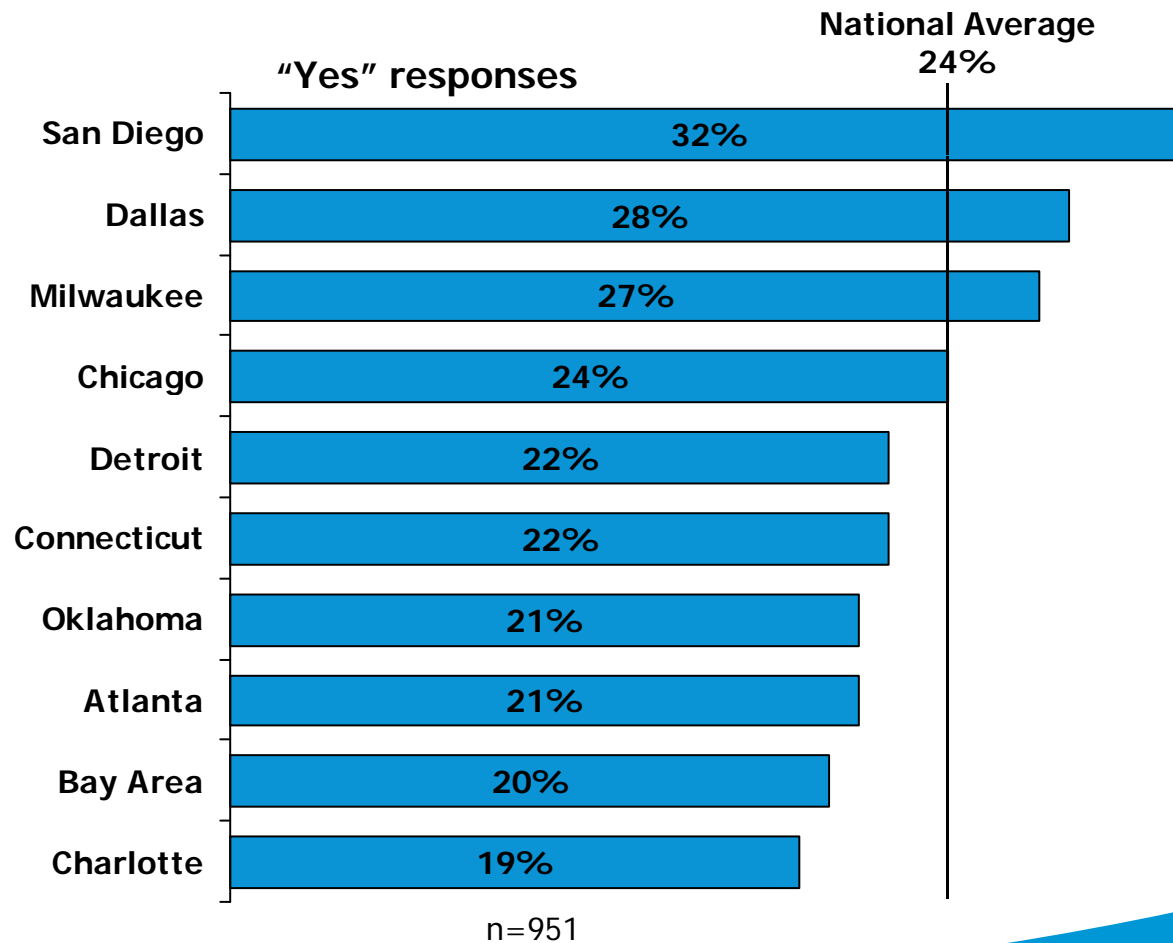
(Q.18) Which of the following steps have you taken to help keep your business safe from online computer security threats?

Have employee who handles wireless security as part of his/her job



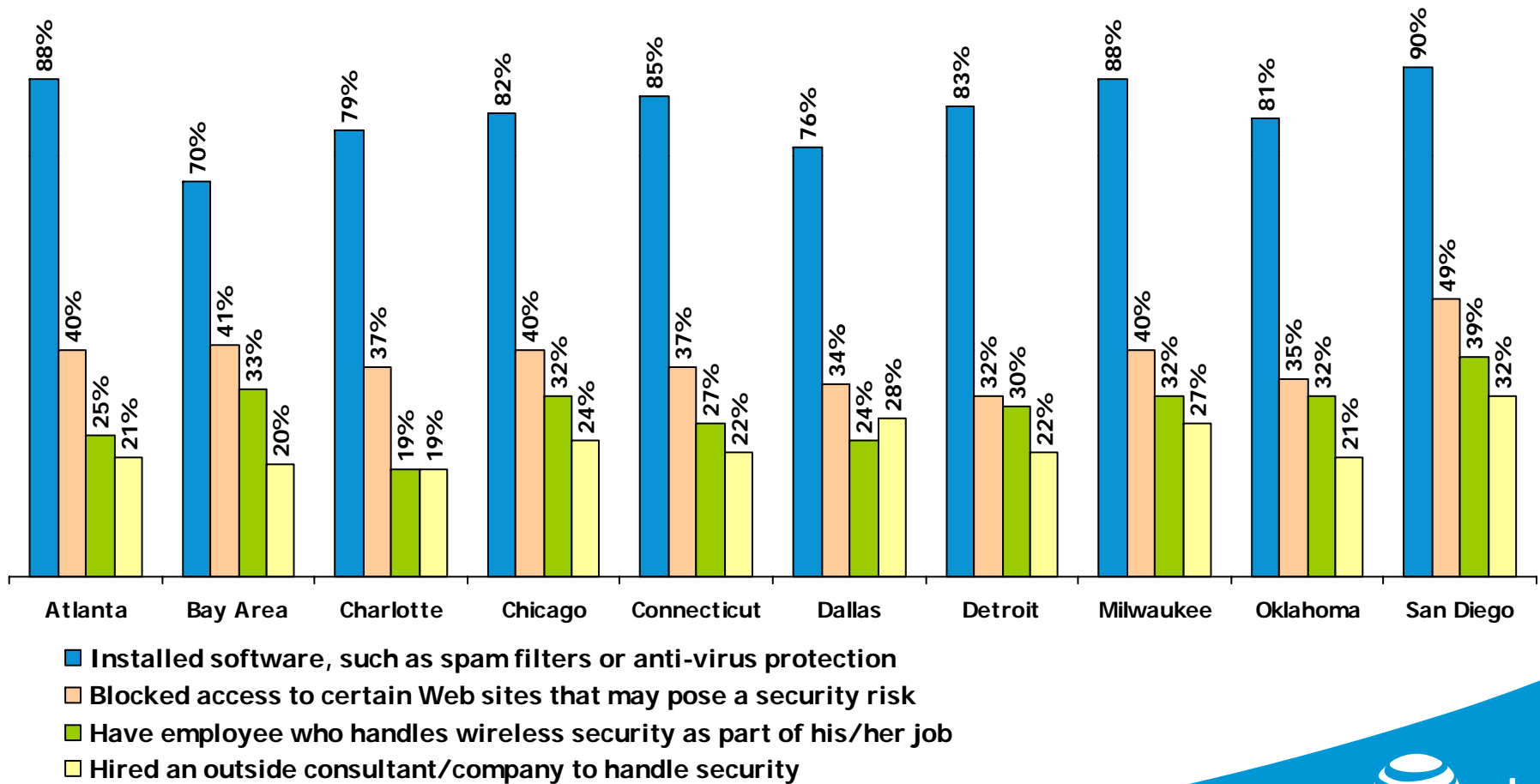
Addressing Online Security Threats

(Q.18) Which of the following steps have you taken to help keep your business safe from online computer security threats?
Hired an outside consultant/company to handle security



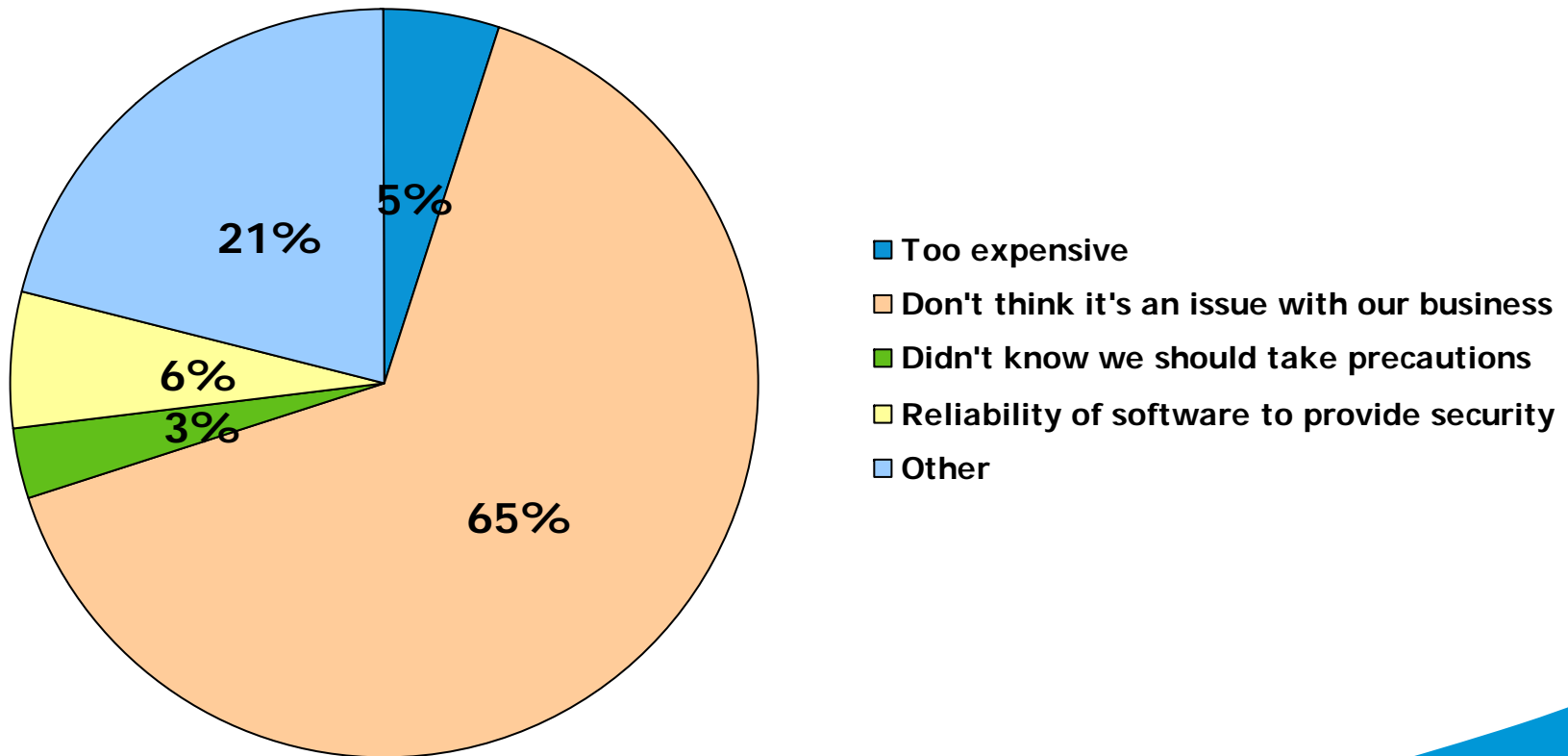
Addressing Online Security Threats

(Q.18) Which of the following steps have you taken to help keep your business safe from online computer security threats?



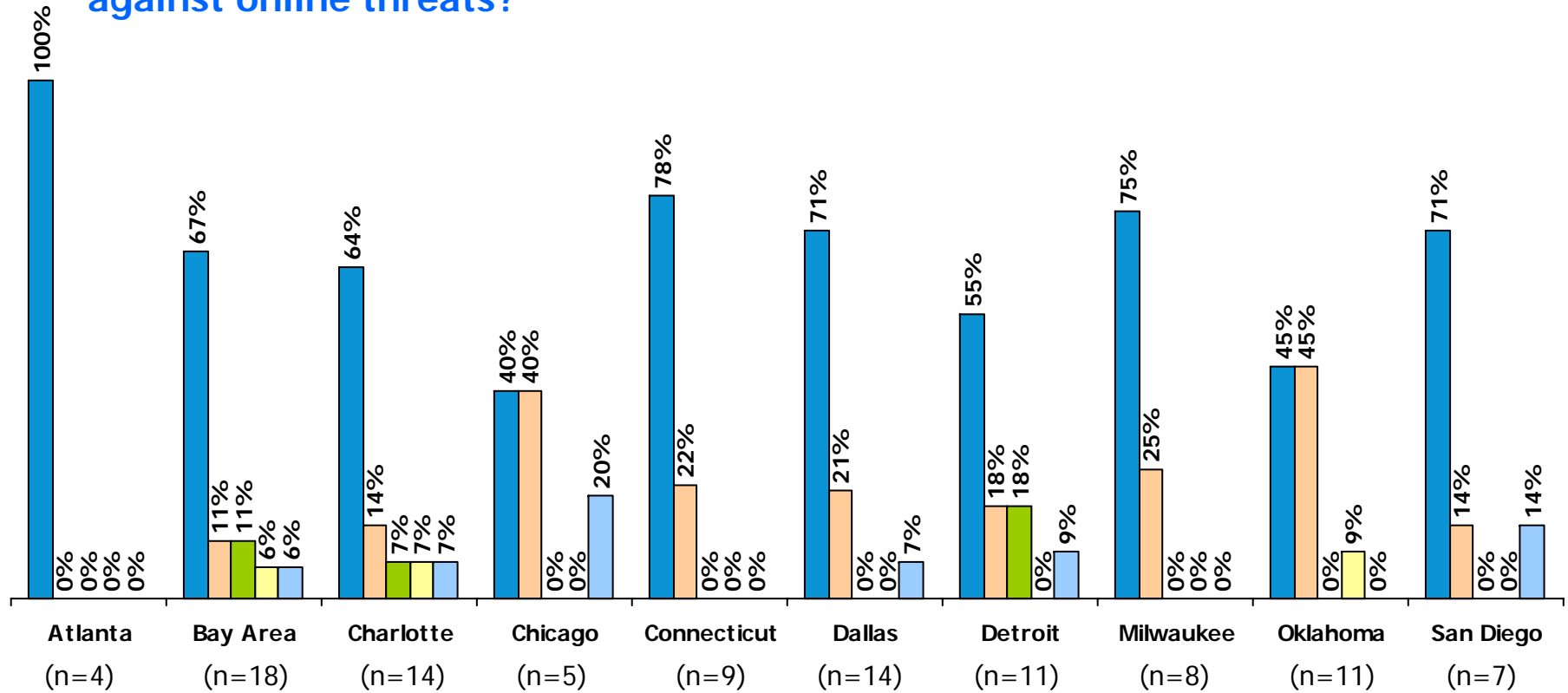
Reasons for not Taking Precautions Against Online Threats

(Q.19) What is the primary reason you have not taken specific precautions against online threats?



Reasons for not Taking Precautions Against Online Threats

(Q.19) What is the primary reason you have not taken specific precautions against online threats?



- Don't think it's an issue with our business
- Other
- Too expensive
- Didn't know we should take precautions
- Reliability of software to provide security

CAUTION: Small Sample Sizes

Data Backup

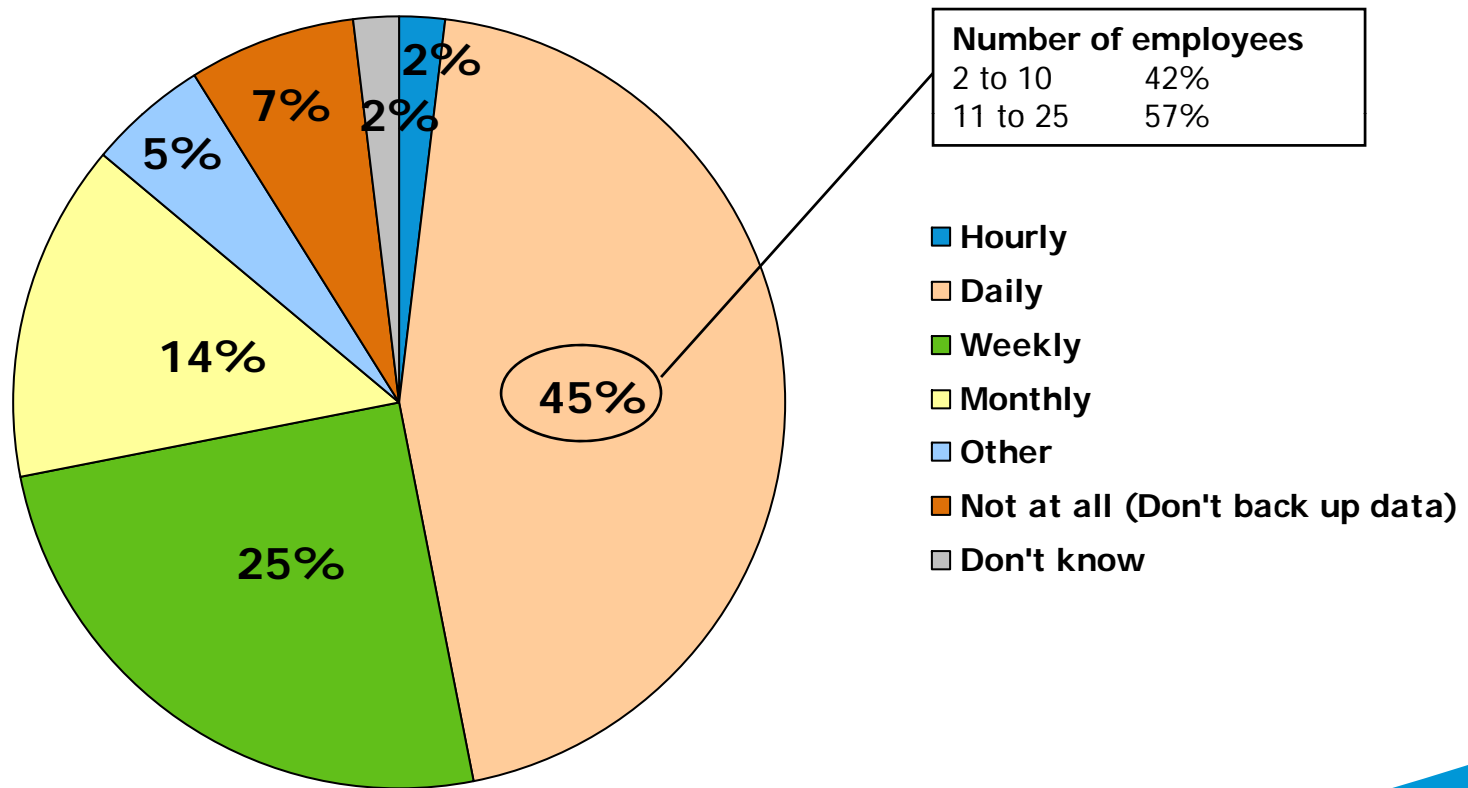


Summary of Findings: Backup Data

- Almost half (47%) of small businesses back up their data at least once per day, while almost three-fourths (72%) back up their data at least weekly. Only 7% say they do not back up their data at all. Three-fourths (73%) back up their data onsite using CDs, hard drives, or some other device.
- Two-thirds (62%) of small businesses that have not taken specific steps to back up their data have not done so because they don't think it's an issue with their business. None of those businesses indicated cost was a factor for not backing up data.
- Three-fourths (78%) of small businesses say it's important for their business to recover computer data in the event of a disaster. Two-thirds (65%) indicated it's very important (9 or 10 on 10-point scale).

Frequency of Backing up Business Data

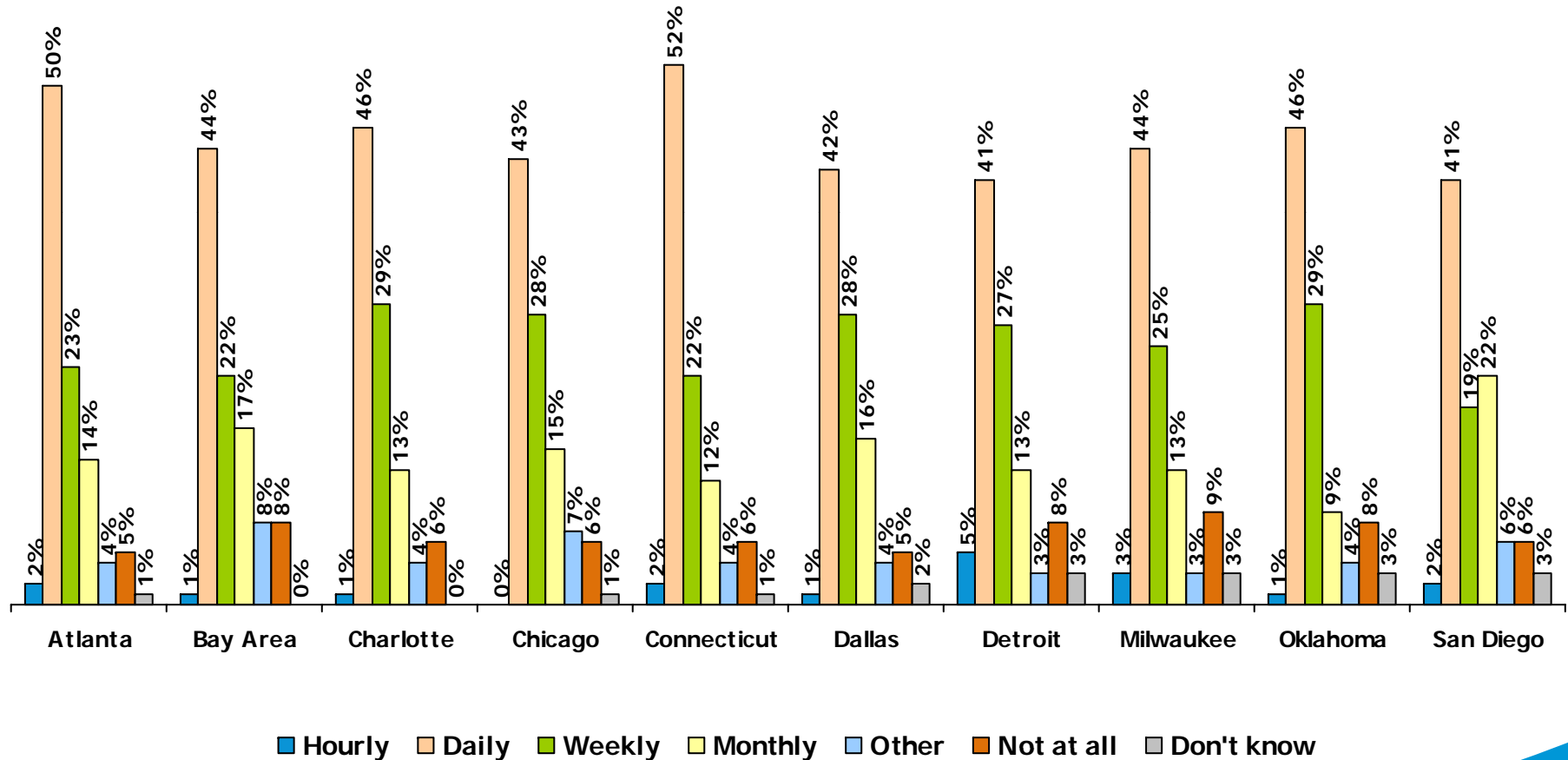
(Q.20) How often do you back up your business data?



(BASE=Use a computer at work, n=951)

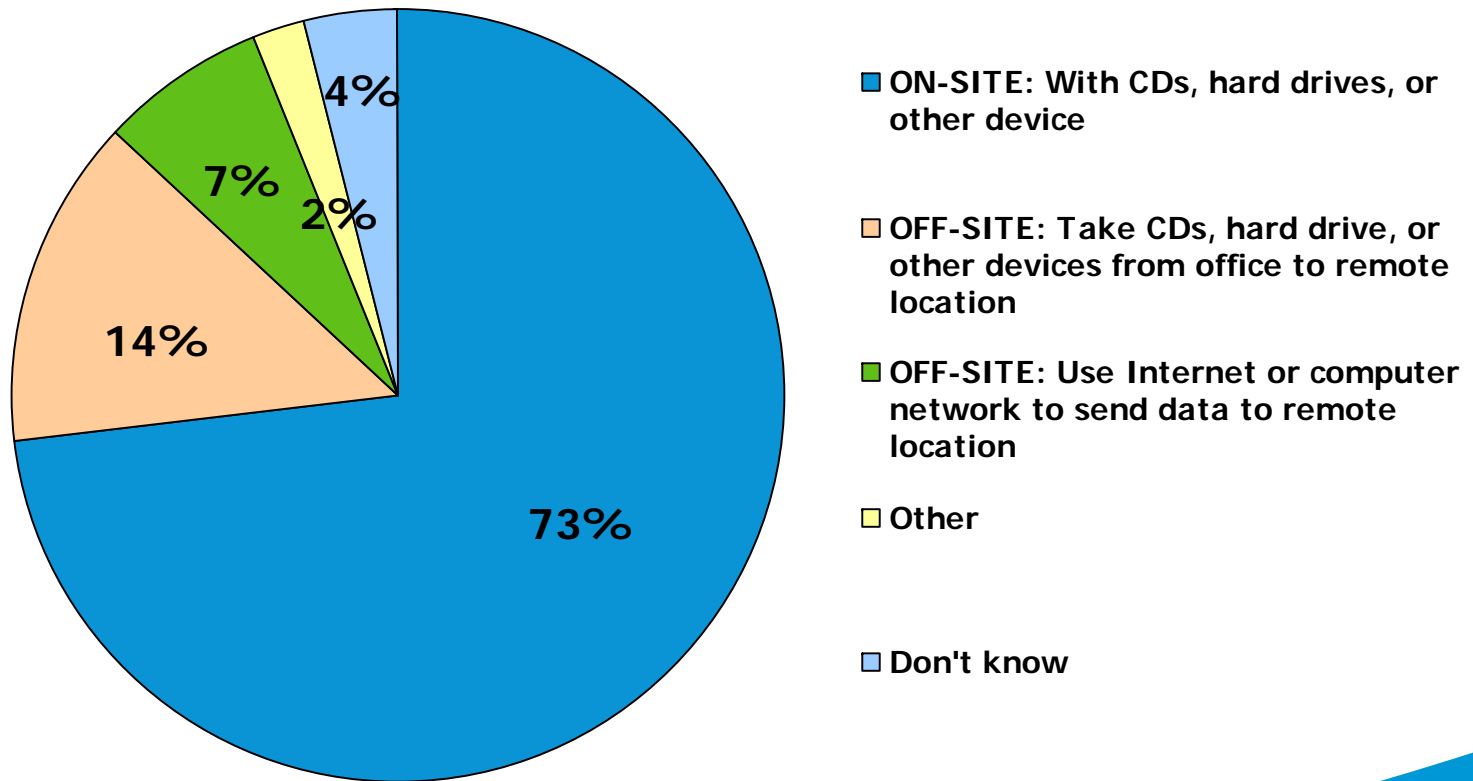
Frequency of Backing up Business Data

(Q.20) How often do you back up your business data?



Method of Backing up Business Data

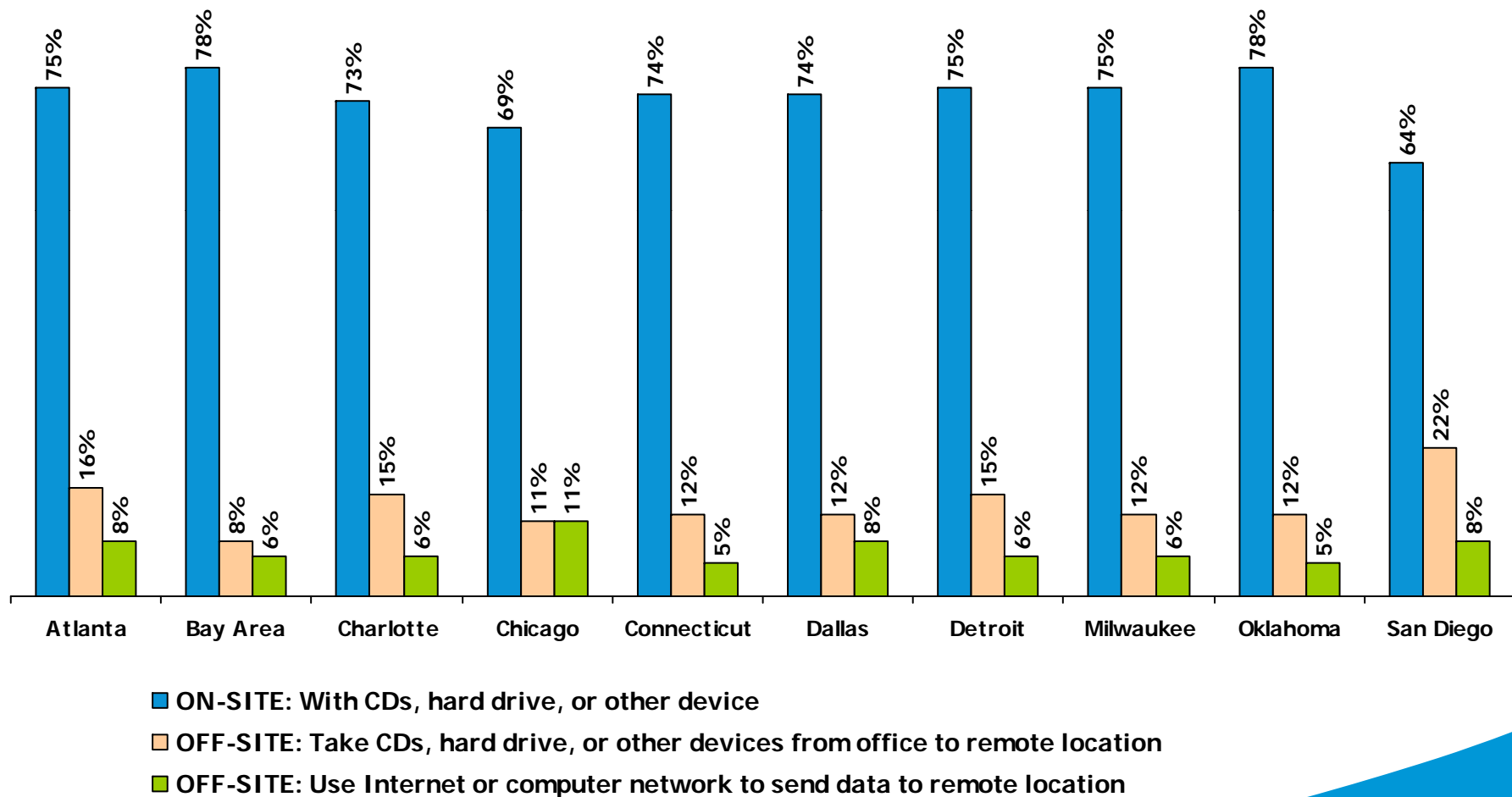
(Q.21) How do you back up your business data?



(BASE=Use a computer at work AND backup data, n=870)

Method of Backing up Business Data

(Q.21) How do you back up your business data?

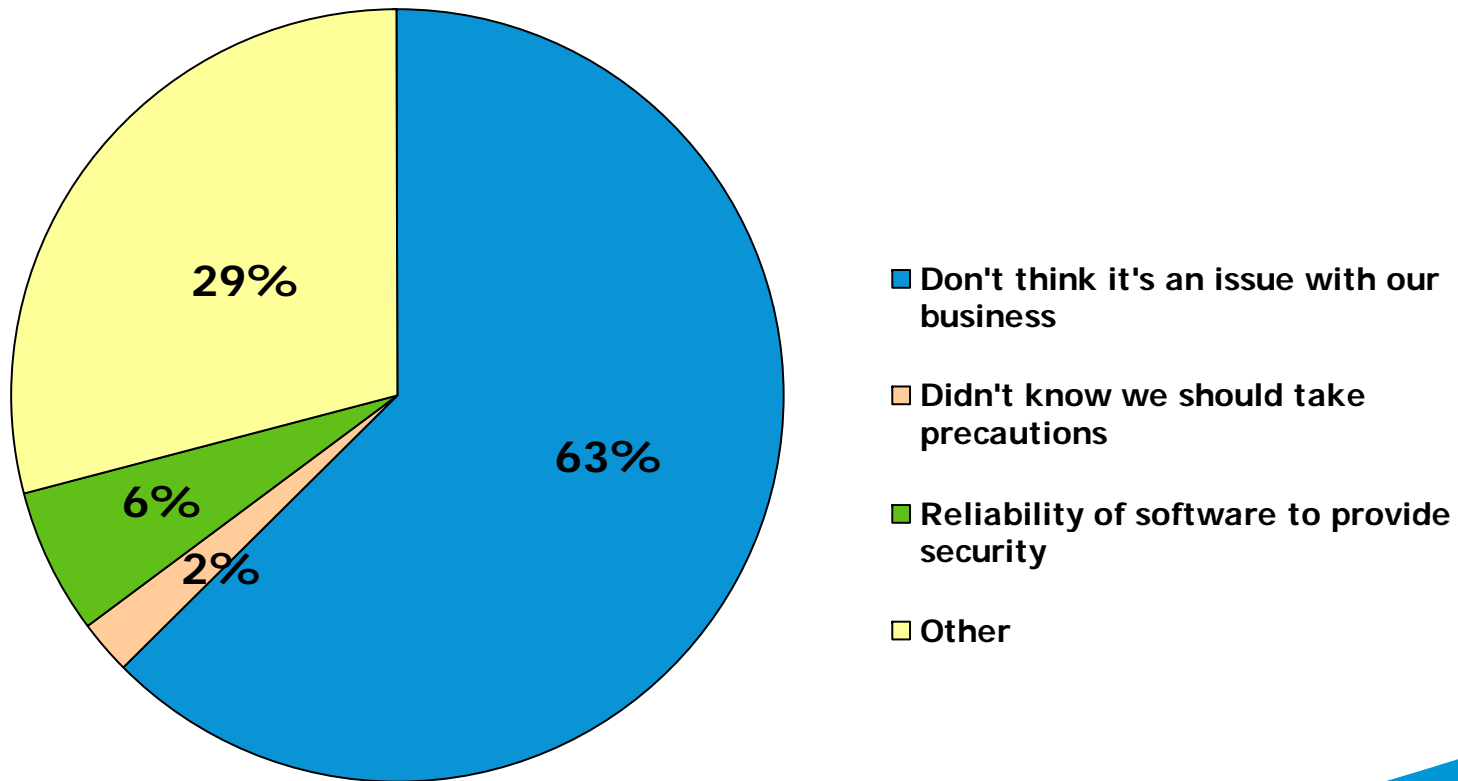


(BASE=Use computers at work AND backup data, n=869)

Primary Reason for Not Backing up Business Data

(Q.22) What is the primary reason you have not taken specific actions to back up data?

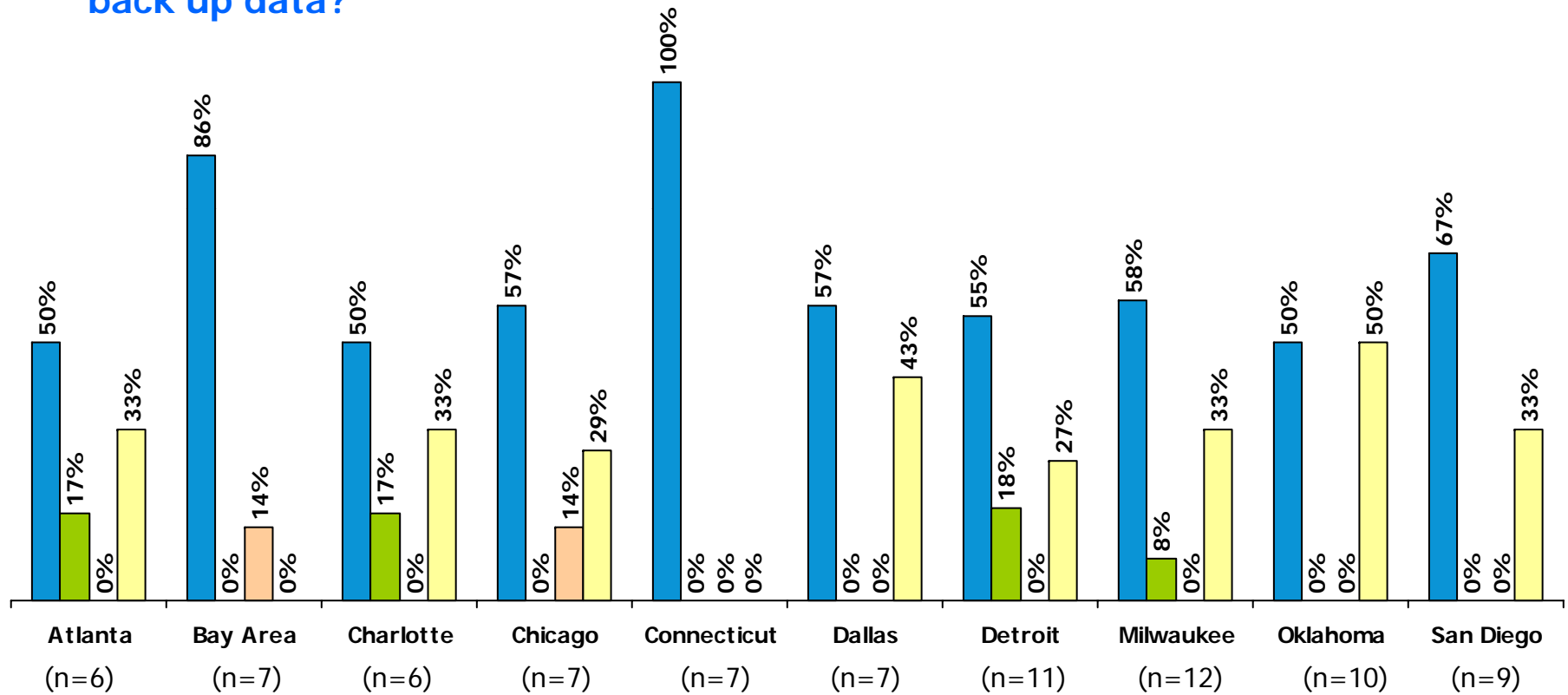
None of the 82 people that do not back up their business data indicated that cost was a factor.



(BASE=Use a computer at work AND do not backup data, n=82)

Primary Reason for Not Backing Up Business Data

(Q.22) What is the primary reason you have not taken specific actions to back up data?

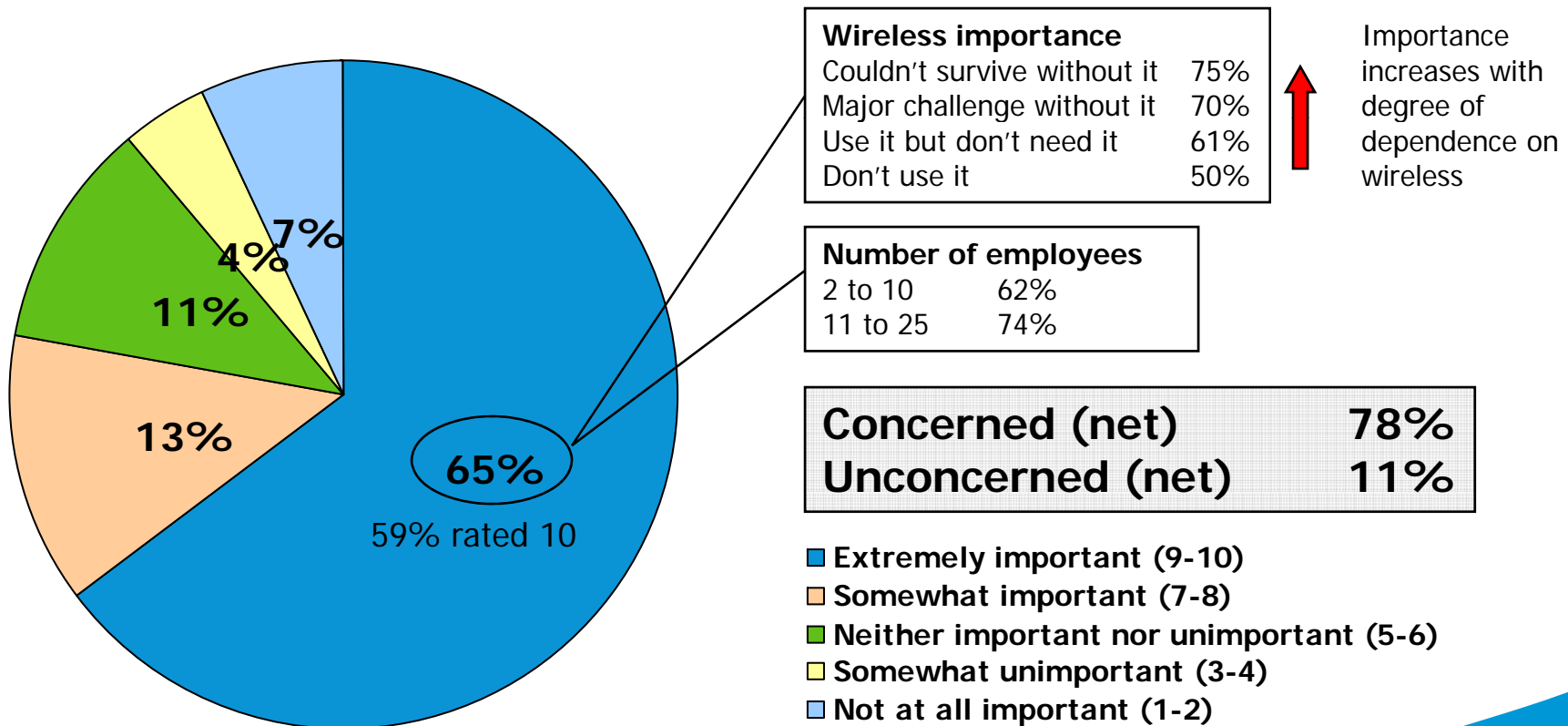


- Don't think it's an issue with our business
- Reliability of software to provide security
- Didn't know we should take precautions
- Other

CAUTION: Small Sample Sizes

Importance of Recovering Computer Data

(Q.23) Using a scale from 1 to 10, with 1 meaning "not at all important" and 10 representing "extremely important," how important would it be for your business to recover computer data in the event of a disaster?



(BASE=Use a computer at work, n=951)

Mean: 8.23



Importance of Recovering Computer Data

(Q.23) How important would it be for your business to recover computer data in the event of a disaster? (On a scale from 1 to 10)

