

AT&T

Small Business Technology Poll

Fact Sheet

Mobile Apps

- Nearly three-fourths (72%) of small businesses indicate that they use mobile apps in their business
- Roughly four in 10 (38%) of small businesses said they could not survive – or it would be a major challenge to survive – without mobile apps
- Businesses report that their primary reason they use mobile apps is to save time, increase productivity and reduce costs
- Smaller firms are more likely to use them as a way to save money, older firms as a way to generate new business
- GPS/navigation and mapping mobile apps by far are the most popular, with nearly half (49%) of small businesses reporting that they use them for their business... other leading apps among small businesses include:
 - Social media marketing (26%)
 - Document management (26%)
 - Location-based services (24%)
 - Time tracking/management (23%)
 - Travel and expense tracking (22%)
 - Credit card payments in the field (20%)

Demographic Highlights

- Larger businesses are more likely to feel that without mobile apps, they could get by, but it would be a major challenge to overcome
 - 2-10 employees 28%
 - 11-50 employees 36%
- Smaller firms are more likely to use apps as a way to save time
 - 2-10 employees 64%
 - 11-25 employees 60%
 - 26-50 employees 54%

Wireless Technology

- Ninety-six percent (96%) of small businesses use wireless technologies as part of their operations
- Four in ten (40%) of small businesses report that all their employees use wireless devices or wireless technologies to work away from the office

- This is up from an estimated 24% in 2008 and is expected to grow to 50% by 2012
- Nearly two-thirds (66%) of small businesses indicate that more than half of their employees use wireless devices or wireless technologies to work away from the office
- This is up from an estimated 51% in 2008 and is expected to grow to nearly three-fourths (73%) by 2012
- Nearly two-thirds (64%) of small businesses surveyed said they could not survive — or it would be a major challenge to survive — without wireless technology
- This is up dramatically from 2008 results when just over four in 10 (42%) said they would have difficulty surviving without wireless technologies
- Based on responses to four factors – perceived importance of wireless, use of wireless technology, use of mobile apps, and percentage of employees using wireless to work away from the office— a Wireless Quotient or “WiQ,” was calculated for each of 12 markets surveyed. A ranking of “Wireless Quotient” or “WiQ Factor” – a relative measure of wireless savvy – follows:

- | | | |
|--------------|---------------------|-----------------|
| 1. Miami | 5. San Francisco | 9. Indianapolis |
| 2. Atlanta | 6. Oklahoma | 10. Kansas City |
| 3. San Diego | 7. Washington, D.C. | 11. Boston |
| 4. Dallas | 8. Chicago | 12. Cleveland |

Demographic Highlights

- Newer businesses are more likely to have all of their employees use mobile technology to work away from the office
 - <2 years 48%
 - 2-10 years 43%
 - 11+ years 37%
- Newer businesses are more likely to say they could not survive – or it would be a major challenge to survive – without wireless technologies
 - <2 years 72%
 - 2-10 years 71%
 - 11+ years 62%

Cloud-based or Software as a Service Solutions

- Despite recent media coverage, nearly one-third (32%) of small businesses acknowledged they do not know what is meant by cloud-based or software as a service solutions
- Another one-third (33%) of small businesses surveyed, however, indicated that they are using these technologies, a solid adoption rate despite their nascent nature
- But they're not nearly as critical to small businesses just yet as other technologies, with less than one in five (17%) saying they could not survive – or it would be a major challenge to survive – without cloud or software as a service solutions

Social Media

- The percentage of small businesses nationally that have a Facebook page increased to 41% in 2010 from 27% ... 52% jump in one year
- Small businesses who use wireless technology are far more likely to have a website than businesses that do not use wireless technology (80% versus 68%)

- Newer businesses are more likely to use Twitter because they feel it's the best way to communicate with their customers and vice versa
 - Smaller businesses are more likely to use Twitter because they feel they have to in order to stay competitive
- Of all small businesses surveyed who reported that they use social media, 41% said they've had measurable success as far as better communications/relationships with new or existing customers
 - 37% reported they've seen an increased number of visitors to website as a result of social media efforts

Other Technologies

- When it comes to Internet access or broadband:
 - More than four in 10 (42%) of small businesses surveyed have download speeds of 12 Mbps or less, with only half that many (21%) having speeds of 25 Mbps or higher
 - More than one-third (38%) of small businesses don't know what their download speeds are at their business
- When asked if they expect to upgrade to faster Internet or broadband over the next two years, nearly three-fourths (74%) of businesses responded, "No, their Internet speed is fine."
- Ninety percent (90%) of businesses report that they back up their data
 - One in four (25%) small businesses use the Internet or computer network to send data to a remote location for back up
 - This is up significantly from last year when only 16% used the Internet or computer network for remote backup

Economic Impact

- There appears to be indications among small businesses surveyed that the economy is slowly improving:
 - Four times as many businesses hired employees (41%) this past year than laid off workers (10%), indicating the economy is improving
 - Next year, 42% of businesses expect to hire employees, compared to just 2% who expect to lay off workers
- Nearly three-fourths (73%) of small businesses expect to spend the same or more in 2011 on IT and wireless technology than they did in 2010
 - This is a significant increase from last year, when less than two-thirds (65%) of small businesses indicated that they expected to spend the same or more on IT and wireless technology than they did in 2009

Study Methodology

The results of the "AT&T Small Business Technology Poll" are based on an online survey of 2,246 small business owners and/or employees responsible for Information Technology (IT). Specifically, 1,012 surveys were completed by small businesses located throughout the United States (National data) and 1,234 surveys were completed with small businesses located in 12 markets – about 100 in each market (Market data). The sample of participating companies was drawn from e-Rewards' online business panel of companies. Small businesses were defined as having between 2 and 50 employees, both part-time and full-time. Eleven of the 12 metropolitan areas are based on DMAs (Designated Market Areas). The other market is the state of Oklahoma. The online survey was fielded in December 2010.