North Eastern Ontario Communications Network
(NEOnet Inc.) Business Survey

Prepared for:

NEOnet
NORTH EASTERN ONTARIO COMMUNICATIONS NETWORK INC.

By:

oraclepoll
R E S E A R C H
Montréal Toronto Sudbury

2009

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M e t h o d o l o g y   a n d   L o g i s t i c s

Overview

- The following represents the results of a survey conducted by Oraclepoll Research Limited for NEOnet and is the follow up to a baseline survey conducted in 2005.

Study Sample

- A total of 300 businesses were interviewed in the areas of Timmins, Sudbury, Sault Ste Marie – Algoma, Thunder Bay and North Bay- Nippissing.

Survey Method

- The survey was conducted using computer-assisted techniques of telephone interviewing (CATI) and random number selection.
- Interviews were conducted in the respondents preferred language of choice by the multilingual call centre staff of Oraclepoll.
- A total of 30% of all interviews were monitored and the management of Oraclepoll Research Limited supervised 100%.

Logistics

- Interviews were conducted between the days of June 2nd 2009 and June 11th 2009.
- Initial calls were made from 9:00 a.m. to 9:00 p.m. with call-backs of no-answers and busy numbers made on a (staggered) daily rotating basis up to 5 times (from 10:00 a.m. to 9:00 p.m.) until contact was made. In addition, telephone interview appointments were attempted with those respondents unable to complete the survey at the time of contact.

Confidence

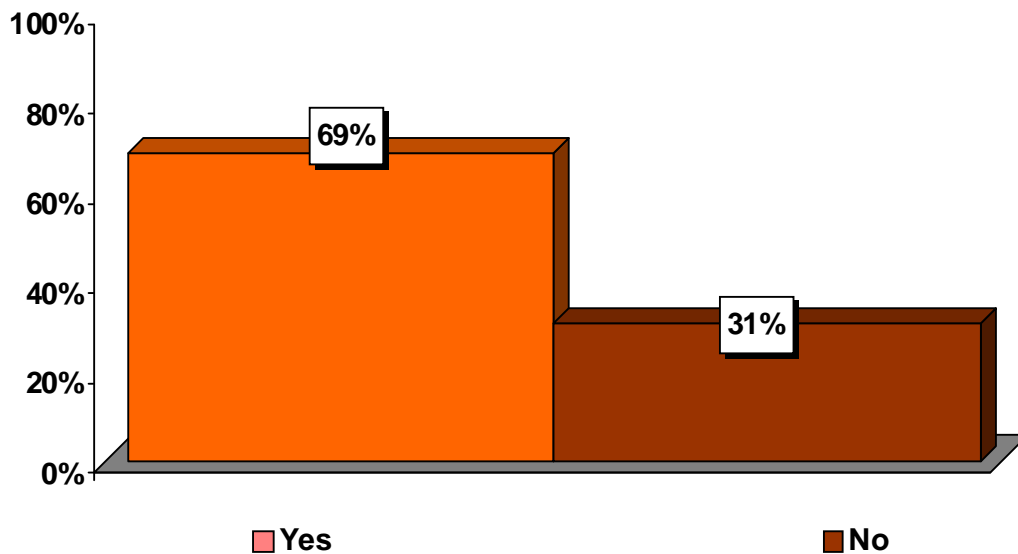- The margin of error for this survey is ± 5.6%, 19/20 times.

E x e c u t i v e   S u m m a r y

Computers

All respondents were first asked (screened) if their organization had computers and if they did not the survey was terminated.

The 300 respondents were then asked the following.

"Have you or your employees ever received computer-related training?"

A total of 69% of respondent organizations claimed that there has been computer related training among their employees a similar figure compared to the 70% in 2005 NEOnet survey.

Internet Access

Respondents were then asked about internet access at their organization.
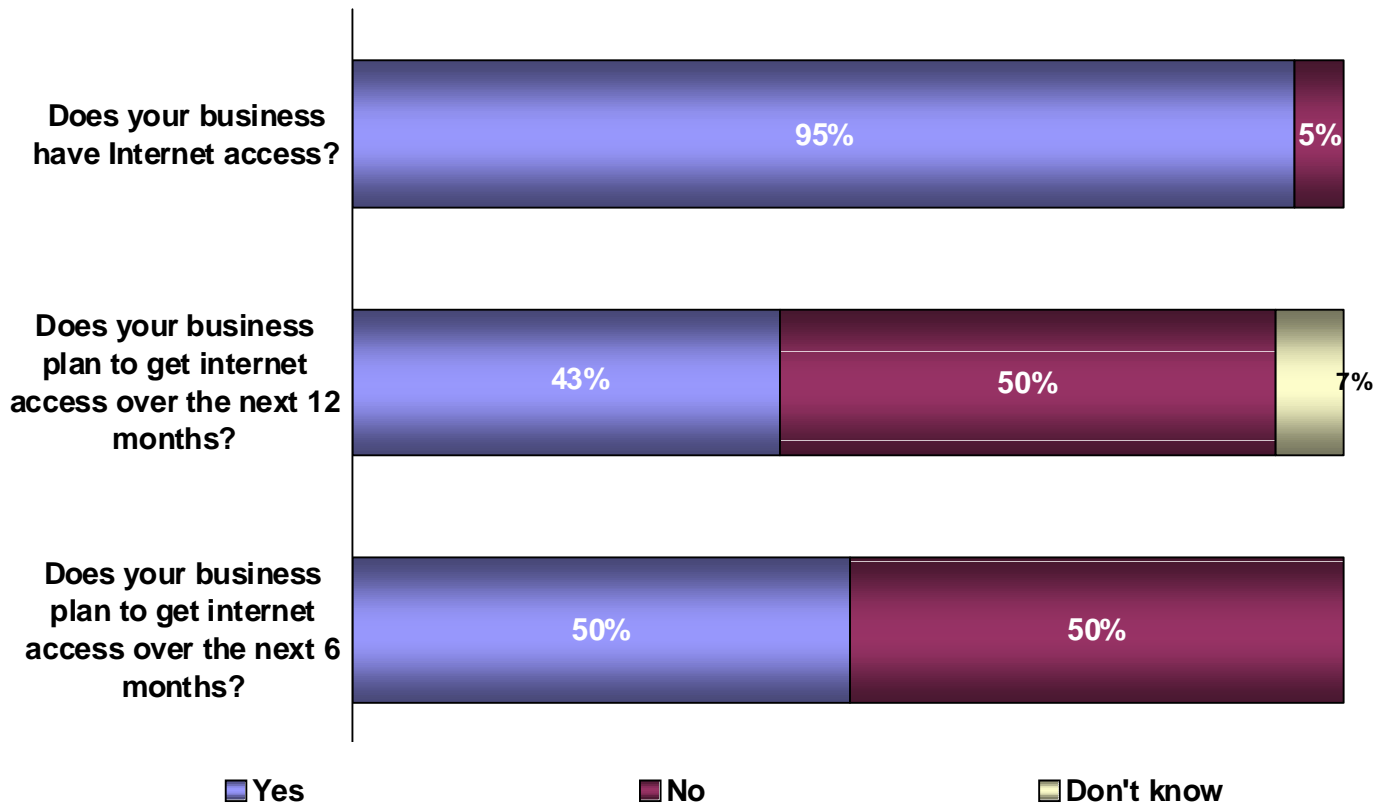
An overwhelming majority of businesses or 95% have Internet access, which is a figure slightly higher than the 92% that had access in 2005.

When the 5% (n=14) of respondents that do not have access were asked if they planned to get it in the next 12 months, 43% (n=6) said yes, 50% (n=7) said no and 7% (n=1) were unsure. Respondents (n=6) that planned to get access within 12 months were then asked if they were to get connected in the next six months of which 50% (n=3) said yes and 50% (n=3) replied no.

Among the 14 respondents or 5% of the sample that are not connected to the internet, cost was a factor cited by 43% of them (n=6) for not being hooked up, followed by 36% (n=5) that named a lack of interest or no need. Other responses included that it was being abused (n=1), that they planned to get it (n=1) and did not know (n=1).

Connection Type

The 95% (n=286) respondents with internet access were asked about their type of connection.

"What is the current connection type/speed of your internet?"
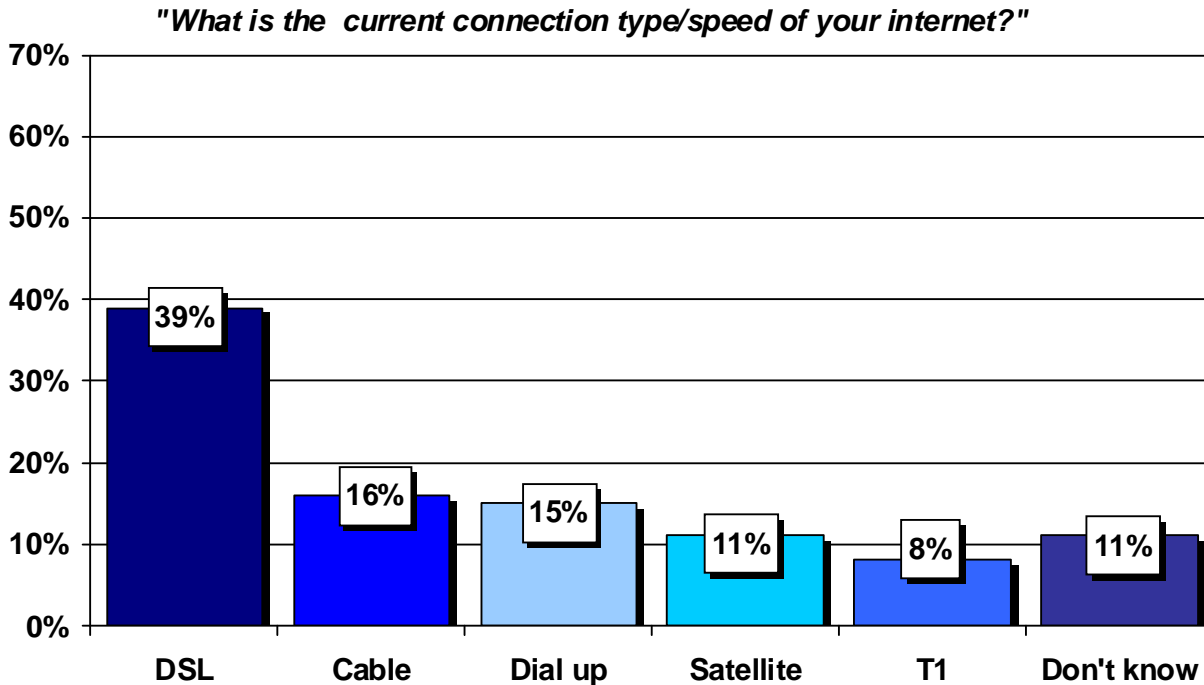
DSL is the most common type of connection used among almost four in ten (39%) organizations surveyed, followed by cable (16%), dial up (15%) and satellite (11%). 8% of organizations use a T1 connection, while 11% were unsure of the type. In 2005 55% of respondents said that they had high speed internet access.

Among the 15% (n=43) of respondents with internet access that have dial up the most cited reason for not having high speed access was that it was not available in their area (56%, n=24), followed by cost (26%, n=11) and a lack of need (14%, n=6). Other comments were that their computer was too old (2%, n=1) and that they may soon change over to high speed (2%, n=1). A lack of availability was also the number one reason cited in 2005 but by a higher 63% of respondents and cost was named by 25%.

Internet Uses

The 95% (n=286) respondents with internet access were asked about what their organization used the internet for.

"Does your business use the internet for the following?"
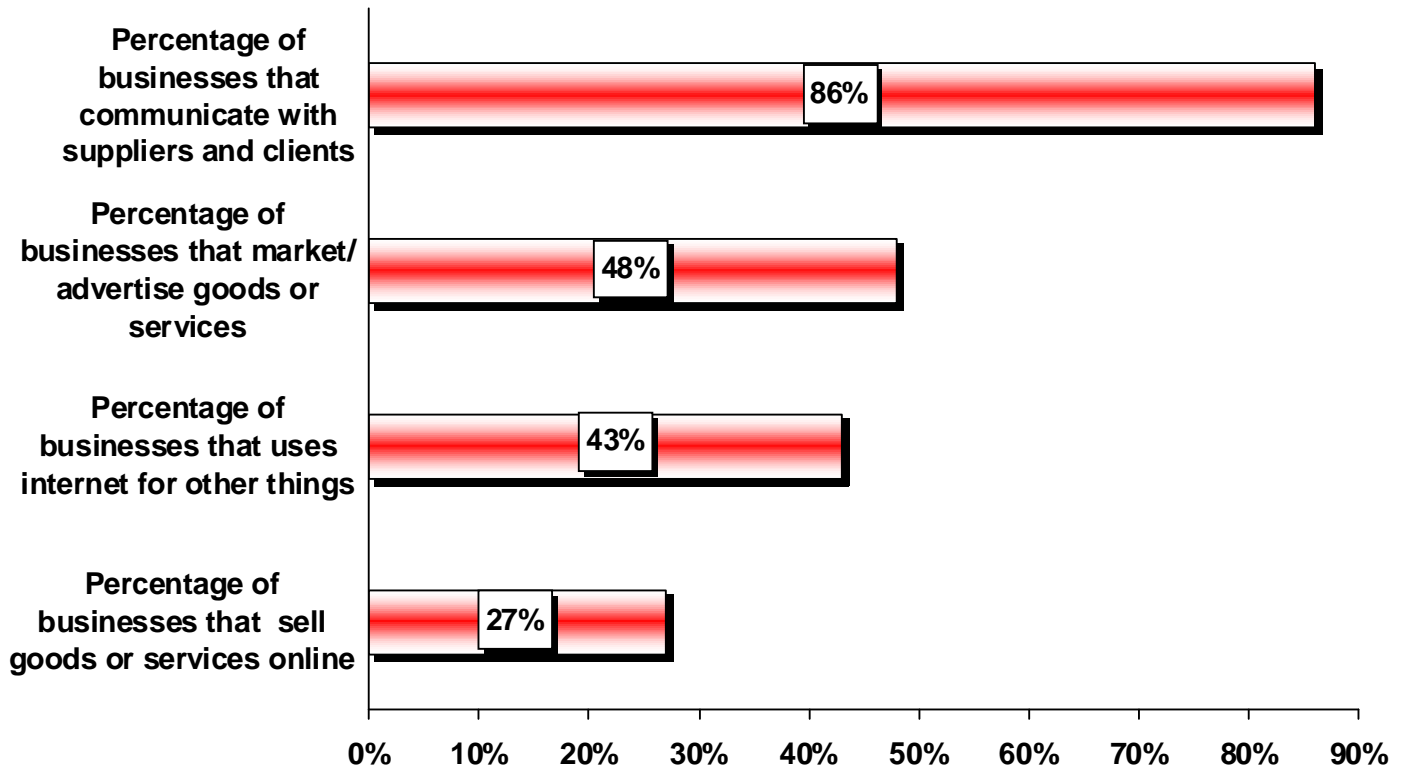
The majority of businesses or 86% surveyed said that they use the Internet to communicate with suppliers and clients as they did in 2005 (79%), while 48% said they use the Internet to market or advertise their goods and services (54% - 2005). A total of 27% (23% - 2005) stated that they sell goods or services online and 43% named other uses. Other uses included financial reasons (15%) such as banking and invoicing, 12% cited research, 5% internal communications and 4% education or training.

In addition, 18% of organizations interviewed accept credit cards for completing online purchasing transactions, 4% use PayPal and 1% debit.

Web Presence

The 95% (n=286) respondents with internet access were asked about their web presence.

"Does your business have a web presence (i.e. website, webpage, community bulletin board)?"
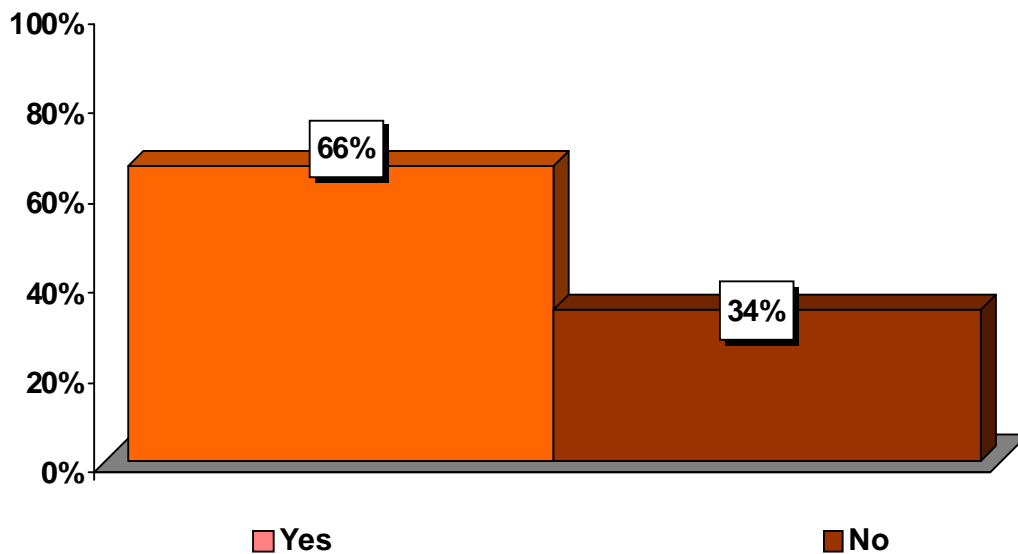
A total of 66% of respondents stated that they have a web presence such as a website, webpage or community bulletin board compared to less than half or 49% in 2005. Among those with a web presence, 48% said that their sites search engine is optimized, 23% claimed it is not and 29% were unsure.

The 95% (n=286) respondents with internet access were asked if they used any of the following to market themselves online.

"Does your business use the internet for the following?"
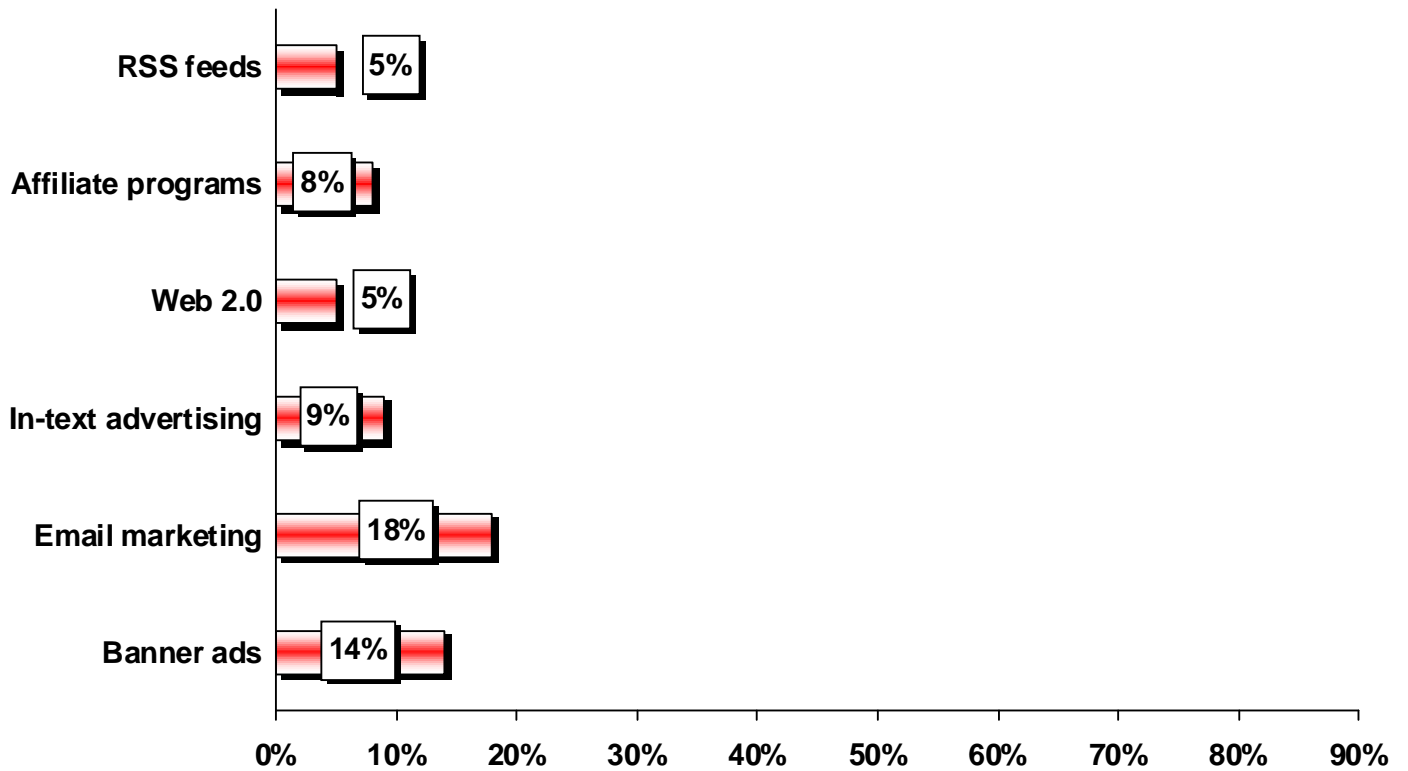
The most used marketing tools are email (18%), and banner ads (14%), followed by in-text advertising (9%) and affiliate programs (8%). Least used was Web 2.0 and RSS feeds (5%).

A total of 21% (n=61) of respondents with internet access also make use of social media and networking applications or technologies. Among organization (n=61) that use social marketing , 21% use MySpace, 57%, Facebook, 44% Blogs 44% Forums, 25% Twitter, 21% LinkedIn and 15% YouTube.

Local Area Network (LAN)

The 95% (n=286) respondents with internet access were asked about their local area network (LAN).

"What type of local area network (LAN) is currently used at your business?"
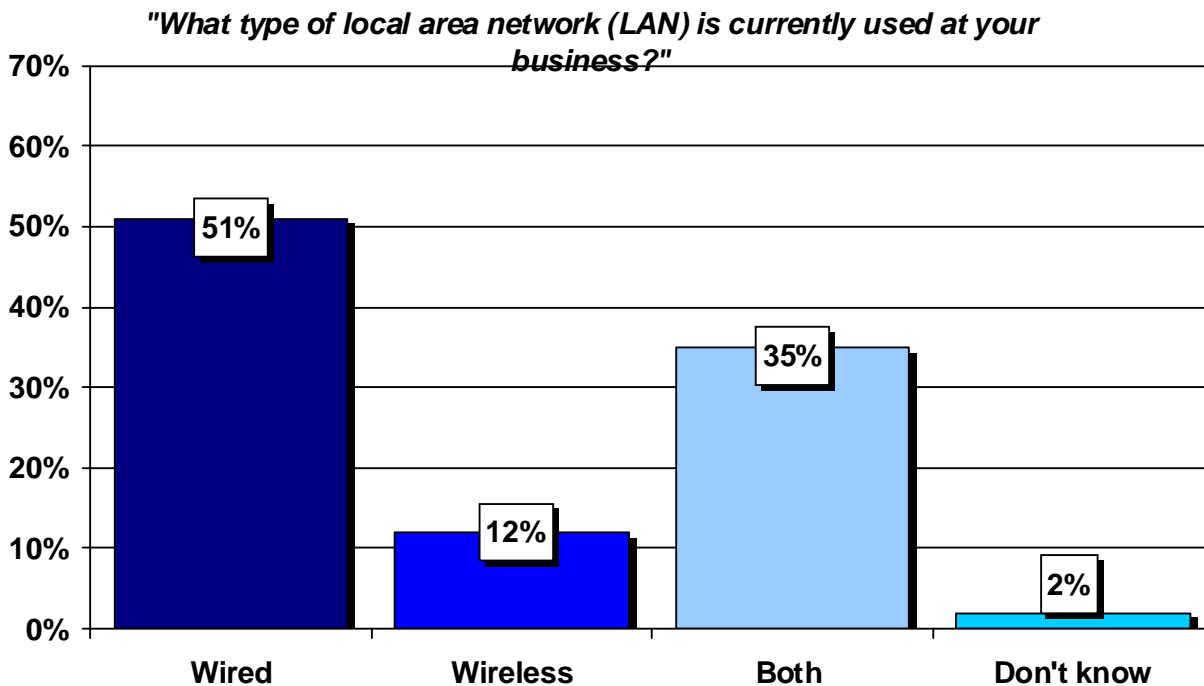
51% of those with internet access have a wired connection, 12% wireless and 35% both wired and wireless.

The 86% that have a wired/both (n=246) connection were asked what security precautions that they have implemented. A total of 33% have password protection, 32% firewalls, 13% physical protection and 11% MAC filtering address.

Those respondents with a wireless connection/both (47%, n=134) were also asked about their security precautions in place. 33% use password protection, 32% use firewalls, 21% wireless encryption and 9% MAC address filtering.

Voice Over IP

All survey respondents (n=300) were asked about VOIP or Voice Over Internet Protocol.

"Is your business currently using Voice Over Internet Protocol (VOIP), has it tried using it in the past but have since stopped or has it never used it?"

	Yes currently	No have never	Have but stopped	Don't know
	8%	87%	3%	2%
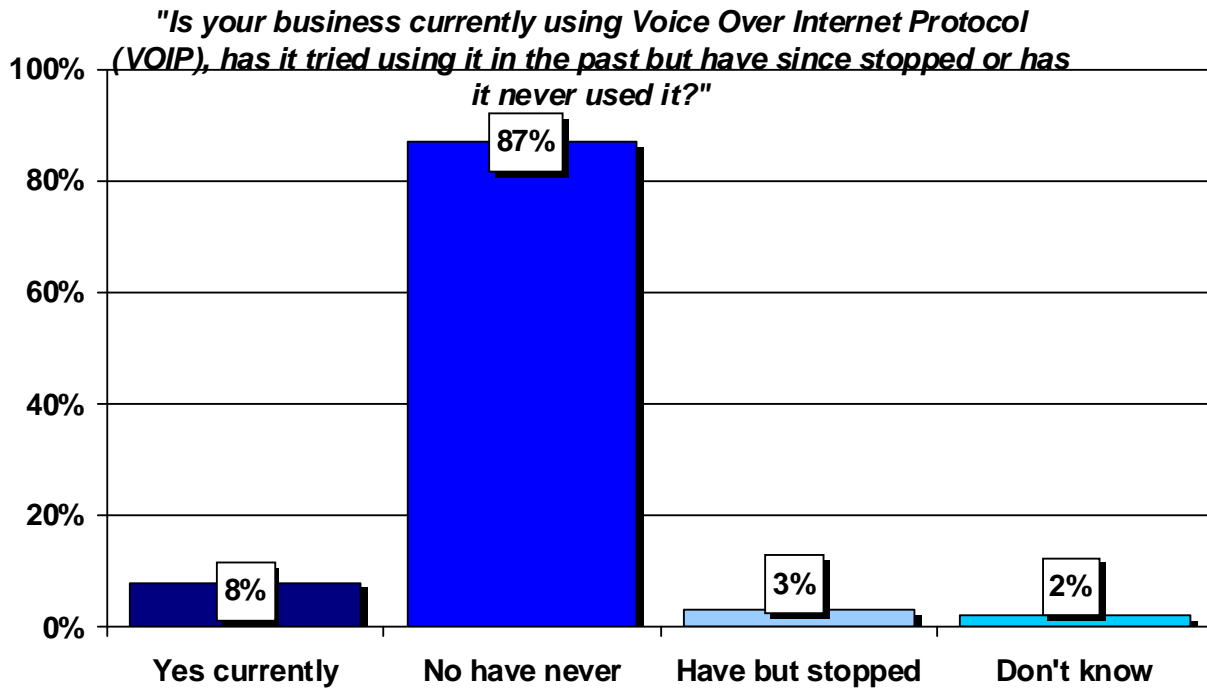
Most or 87% have never used VOIP, 8% are currently using it and 3% have used it in the past but have since stopped, while 2% were unsure.

Among those currently using VOIP (n=24) 67% (n=16) are using it to compliment traditional phone service, 29% (n=1) to replace traditional phone service and 4% (n=1) was unsure.

When the 87% that have never used VOIP were questioned if they would consider using it in the future, 22% said they would consider it, 62% would not and 16% did not know.

The reasons why the 3% (n=8) stopped using VOIP included a lack of need (n=5), voice delay (n=2) and being difficult to use (n=1).

IT & Business Plan

All survey respondents (n=300) were asked the following.

"Is information technology part of your business plan?"
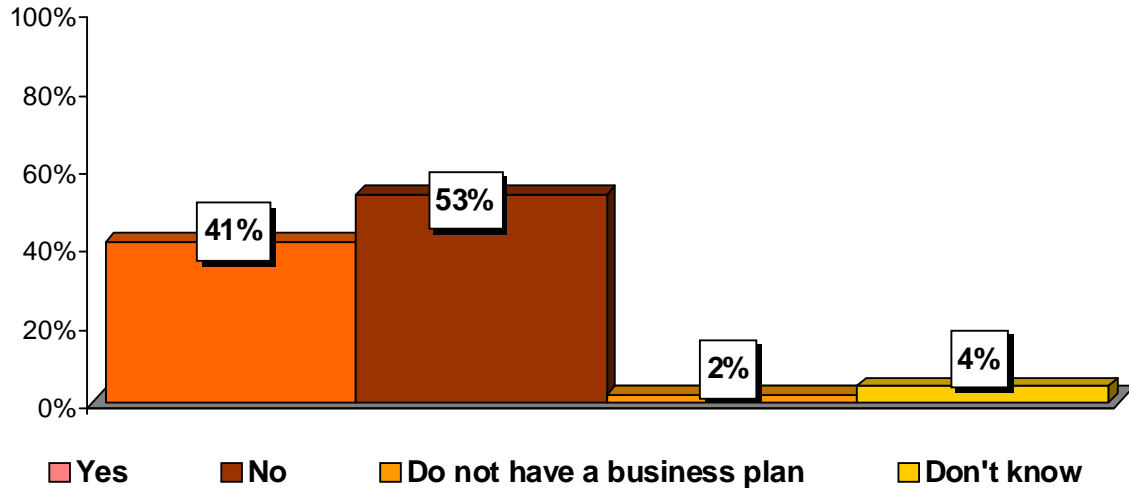
Of the businesses surveyed 41% (52% in 2005) said that information technology is part of their business plan, 53% (37% in 2005) said that information technology is not part of their business plan, 2% said that they do not have a business plan and 4% did not know.

When the 41% (n=124) that have IT as part of their business plan were asked how it factors into this strategy, 23% said marketing/advertising, 14% said they need a web presence, 11% communicate with customers, 10% for training/education, 7% to help with finances, 5% administration, 3% to buy and sell goods and 1% for internal communications. A total of 23% did not know or were unsure.

All respondents were also asked to rate their company's overall knowledge of information technology. A total of 12% rated it as expert, 18% high, 30% moderate, 9% low and 28% basic, while 2% did not know.

Finally, organizations were asked about what areas of web usage they would like to learn more about, of which 17% said online customer feedback tools, 15% search engine optimization, 15% online security, 13% VOIP, 11% social media and networking, 11% ecommerce, while 18% said no area or did not know.

Sectors

All respondents were asked the following

"*Which sector does your business fall into?*"

Service	34%
Retail	22%
Tourism / hospitality	9%
Government / public sector	8%
Education	7%
Not for profit	4%
Industrial	3%
Wholesale	3%
Construction	3%
Health services	2%
Electricity / gas / hydro / sanitary service	1%
Manufacturing	1%
Forestry	1%
Transportation	1%
Mining	1%

B u s i n e s s   R e s u l t s   b y   Q u e s t i o n

Q1. Does your business have a computer or computers?

		Frequency	Valid Percent
Valid	Yes	300	100.0

IF YES ASK Q2
IF NO SURVEY WAS TERMINATED

Q2. Have you or your employees ever received computer-related training?

		Frequency	Valid Percent
Valid	Yes	207	69.0
	No	93	31.0
	Total	300	100.0

Q3. Does your business have Internet access?

		Frequency	Valid Percent
Valid	Yes	286	95.3
	No	14	4.7
	Total	300	100.0

IF YES SKIP TO Q7
IF NO ASK Q4 – Q6

Q4. What is the main reason why there is no internet access at this business?

		Frequency	Valid Percent
Valid	Too expensive / cost	6	42.9
	No interest / No reason to use	5	35.7
	Waiting to get it / plan to	1	7.1
	Being abused / used for personal use	1	7.1
	Don't know	1	7.1
	Total	14	100.0

Q5. Does your business plan to get Internet access over the next 12 months?

		Frequency	Valid Percent
Valid	Yes	6	42.9
	No	7	50.0
	Don't know	1	7.1
	Total	14	100.0

IF YES ASK Q6
IF NO OR DON'T KNOW SKIP TO Q19

Q6. Does your business plan to get it in the next 6 months?

		Frequency	Valid Percent
Valid	Yes	3	50.0
	Don't know	3	50.0
	Total	6	100.0

SKIP TO Q19

Q7. What is the current connection type/speed of your internet?

		Frequency	Valid Percent
Valid	DSL	111	38.8
	Cable	45	15.7
	Dial Up	43	15.0
	Satellite	32	11.2
	Don't know	31	10.8
	T1	24	8.4
	Total	286	100.0

IF DIAL UP ASK Q8 / ALL OTHERS SKIP TO Q9

Q8. What is the main reason why you don't have high speed internet access?

		Frequency	Valid Percent
Valid	Not available in my area	24	55.8
	Too expensive	11	25.6
	No interest/No reason to use	6	14.0
	Computer too old	1	2.3
	Will be changing over	1	2.3
	Total	43	100.0

Q9.   Does your business use the internet for the following? (Check All that Apply)

Q9a. To market/advertise goods or services

		Frequency	Valid Percent
Valid	Yes	138	48.3
	No	148	51.7
	Total	286	100.0

Q9b. To sell your goods or services online

		Frequency	Valid Percent
Valid	Yes	78	27.3
	No	207	72.4
	Don't know	1	.3
	Total	286	100.0

q9c. To communicate with suppliers and clients

		Frequency	Valid Percent
Valid	Yes	246	86.0
	No	40	14.0
	Total	286	100.0

q9d. Are there any other uses?

		Frequency	Valid Percent
Valid	No	163	57.0
	Financial (accounting, bank, payments, invoice, payroll etc)	42	14.7
	Research	34	11.9
	Don't know	18	6.3
	Internal communications	15	5.2
	Education, training	10	3.5
	Personal use	4	1.4
	Total	286	100.0

Q10. Does your business have a web presence (i.e. website, webpage, community bulletin board)?

		Frequency	Valid Percent
Valid	Yes	190	66.4
	No	96	33.6
	Total	286	100.0

Q11. Does your business accept any of the following for completing online purchase transactions?

Q11a. Credit Cards

		Frequency	Valid Percent
Valid	No	234	81.8
	Yes	52	18.2
	Total	286	100.0

Q11b. PayPal

		Frequency	Valid Percent
Valid	No	272	95.1
	Yes	12	4.2
	Don't know	2	.7
	Total	286	100.0

Q11c. Other (please specify)

		Frequency	Valid Percent
Valid	No	273	95.5
	Debit	3	1.0
	Don't know	10	3.5
	Total	286	100.0

Q12 ONLY ASKED TO THOSE WITH A WEB PRESENCE AS IDENTIFIED IN Q10

Q12. Is your business web site search engine optimized?

		Frequency	Valid Percent
Valid	Yes	91	47.9
	No	43	22.6
	Don't know	56	29.5
	Total	190	100.0

Q13.   Does your business use any of the following to market itself online?

Q13a. Banner Ads

		Frequency	Valid Percent
Valid	Yes	39	13.6
	No	246	86.0
	Don't know	1	.3
	Total	286	100.0

Q13b. Email Marketing

		Frequency	Valid Percent
Valid	Yes	51	17.8
	No	233	81.5
	Don't know	2	.7
	Total	286	100.0

Q13c. In-text Advertising

		Frequency	Valid Percent
Valid	Yes	25	8.7
	No	250	87.4
	Don't know	11	3.8
	Total	286	100.0

Q13d. Web 2.0

		Frequency	Valid Percent
Valid	Yes	14	4.9
	No	240	83.9
	Don't know	32	11.2
	Total	286	100.0

Q13e. Affiliate Programs

		Frequency	Valid Percent
Valid	Yes	23	8.0
	No	240	83.9
	Don't know	23	8.0
	Total	286	100.0

Q13f. RSS Feeds

		Frequency	Valid Percent
Valid	Yes	14	4.9
	No	249	87.1
	Don't know	23	8.0
	Total	286	100.0

Q14. Does your business make use of Social Media and Networking Applications/Technologies?

		Frequency	Valid Percent
Valid	Yes	61	21.3
	No	214	74.8
	Don't know	11	3.8
	Total	286	100.0

IF YES ASK Q15 / ALL OTHERS SKIP TO Q16

Q15. Please tell me which ones?

Q15a. Myspace

		Frequency	Valid Percent
Valid	Yes	13	21.3
	No	48	78.7
	Total	61	100.0

Q15b. Facebook

		Frequency	Valid Percent
Valid	Yes	35	57.4
	No	26	42.6
	Total	61	100.0

Q15c. Blogs

		Frequency	Valid Percent
Valid	Yes	27	44.3
	No	32	52.5
	Don't know	2	3.3
	Total	61	100.0

Q15d. Forums

		Frequency	Valid Percent
Valid	Yes	27	44.3
	No	34	55.7
	Total	61	100.0

Q15e. Twitter

		Frequency	Valid Percent
Valid	Yes	15	24.6
	No	42	68.9
	Don't know	4	6.6
	Total	61	100.0

Q15f. LinkedIn

		Frequency	Valid Percent
Valid	Yes	13	21.3
	No	46	75.4
	Don't know	2	3.3
	Total	61	100.0

Q15g. YouTube

		Frequency	Valid Percent
Valid	Yes	9	14.8
	No	52	85.2
	Total	61	100.0

Q16. What type of local area network (LAN) is currently used at your business?

		Frequency	Valid Percent
Valid	Wired	146	51.0
	Wireless	34	11.9
	Both	100	35.0
	Don't know	6	2.1
	Total	286	100.0

IF WIRED OR BOTH ASK Q17 / IF WIRELESS & BOTH ASK Q18 / DON'T KNOW SKIP TO Q19

Q17. What security precautions has your business implemented for your wired LAN?

Q17a. What security precautions has your business implemented for your wired LAN? Mention 1

		Frequency	Valid Percent
Valid	Password Protection	181	73.6
	Firewalls	35	14.2
	None	16	6.5
	Don't know	12	4.9
	MAC address filtering	2	.8
	Total	246	100.0

Q17b. What security precautions has your business implemented for your wired LAN? Mention 2

		Frequency	Valid Percent
Valid	Firewalls	144	85.2
	MAC address filtering	10	5.9
	Password Protection	7	4.1
	Physical protection - locking of all servers and networking	6	3.6
	Administratively disabling unused ports	2	1.2
	Total	169	100.0

Q17c. What security precautions has your business implemented for your wired LAN? Mention 3

		Frequency	Valid Percent
Valid	MAC address filtering	50	47.6
	Physical protection - locking of all servers and networking	46	43.8
	Administratively disabling unused ports	8	7.6
	Firewalls	1	1.0
	Total	105	100.0

Q17d. What security precautions has your business implemented for your wired LAN? Mention 4

		Frequency	Valid Percent
Valid	Physical protection - locking of all servers and networking	22	52.4
	Administratively disabling unused ports	20	47.6
	Total	42	100.0

Q17e. What security precautions has your business implemented for your wired LAN? Mention 5

		Frequency	Valid Percent
Valid	Administratively disabling unused ports	4	100.0

Q18. What security precautions has your business implemented for your wireless LAN?

Q18a. What security precautions has your business implemented for your wireless LAN? Mention 1

		Frequency	Valid Percent
Valid	Password Protection	106	79.1
	Firewalls	10	7.5
	None	9	6.7
	Don't know	7	5.2
	Wireless Encryption (WEP, WPE, etc)	2	1.5
	Total	134	100.0

Q18b. What security precautions has your business implemented for your wireless LAN? Mention 2

		Frequency	Valid Percent
Valid	Firewalls	94	91.3
	Wireless Encryption (WEP, WPE, etc)	6	5.8
	Password Protection	3	2.9
	Total	103	100.0

Q18c. What security precautions has your business implemented for your wireless LAN? Mention 3

		Frequency	Valid Percent
Valid	Wireless Encryption (WEP, WPE, etc)	62	92.5
	MAC address filtering	4	6.0
	Firewalls	1	1.5
	Total	67	100.0

Q18d. What security precautions has your business implemented for your wireless LAN? Mention 4

		Frequency	Valid Percent
Valid	MAC address filtering	27	100.0

Q19. Is your business currently using Voice Over Internet Protocol (VOIP), has it tried using it in the past but have since stopped or has it never used it?

		Frequency	Valid Percent
Valid	Yes currently	24	8.0
	No have never	262	87.3
	Have used it but stopped	8	2.7
	Don't know	6	2.0
	Total	300	100.0

IF YES OR CURRENTLY ASK Q20 / IF HAVE NEVER ASK Q21 / IF HAVE USED BUT STOPPED ASK Q22 / IF DON'T KNOW SKIP TO Q24

Q20. Is Voice Over Internet Protocol (VOIP) being used to complement traditional phone service or is it being used to replace it altogether?

		Frequency	Valid Percent
Valid	To complement traditional phone service/using both	16	66.7
	To replace traditional phone service	7	29.2
	Don't know	1	4.2
	Total	24	100.0

Q21. Would you consider using Voice Over Internet Protocol (VOIP) in the future?

		Frequency	Valid Percent
Valid	Yes	58	22.1
	No	162	61.8
	Don't know	42	16.0
	Total	262	100.0

Q22. Why has your business stopped using Voice Over Internet Protocol (VOIP)?

		Frequency	Valid Percent
Valid	Voice delay	2	25.0
	No need	5	62.5
	Difficult to use	1	12.5
	Total	8	100.0

Q23. Is information technology part of your business plan?

		Frequency	Valid Percent
Valid	Yes	124	41.3
	No	159	53.0
	Don't have a business plan	5	1.7
	Don't know	12	4.0
	Total	300	100.0

IF YES ASK Q24 / ALL OTHERS SKIP TO Q25

Q24. How does information technology factor into your business strategy?

		Frequency	Valid Percent
Valid	Advertising / marketing	28	22.6
	Don't know	28	22.6
	Need web presence	17	13.7
	Communication with suppliers / clients	14	11.3
	Training / education	13	10.5
	Financial (accounting, bank, payments, invoice, payroll etc)	8	6.5
	Administration	6	4.8
	Research	5	4.0
	Buy / sell goods & products	4	3.2
	Internal communications	1	.8
	Total	124	100.0

Q25. How do you rate your company's overall knowledge of information communication technology?

		Frequency	Valid Percent
Valid	Expert	36	12.0
	High	54	18.0
	Moderate	91	30.3
	Low	27	9.0
	Basic	85	28.3
	Don't know	7	2.3
	Total	300	100.0

Q26. What areas of web usage would you like to learn more about for your business? (Check all that apply)

Q26a. What areas of web usage would you like to learn more about for your business? Mention 1

		Frequency	Valid Percent
Valid	**None**	87	29.0
	Ecommerce	65	21.7
	Online Security	46	15.3
	Voice Over Internet Protocol (VOIP)	32	10.7
	Don't know	26	8.7
	Search Engine Optimization	22	7.3
	Online Customer Feedback Tools	14	4.7
	Social Media and Networking	8	2.7
	Total	300	100.0

Q26b. What areas of web usage would you like to learn more about for your business? Mention 2

		Frequency	Valid Percent
Valid	**Online Security**	44	34.9
	Search Engine Optimization	30	23.8
	Online Customer Feedback Tools	19	15.1
	Social Media and Networking	17	13.5
	Voice Over Internet Protocol (VOIP)	16	12.7
	Total	126	100.0

Q26c. What areas of web usage would you like to learn more about for your business? Mention 3

		Frequency	Valid Percent
Valid	**Voice Over Internet Protocol (VOIP)**	27	30.0
	Online Customer Feedback Tools	23	25.6
	Search Engine Optimization	20	22.2
	Social Media and Networking	19	21.1
	Ecommerce	1	1.1
	Total	90	100.0

Q26d. What areas of web usage would you like to learn more about for your business? Mention 4

		Frequency	Valid Percent
Valid	**Online Customer Feedback Tools**	22	43.1
	Search Engine Optimization	19	37.3
	Social Media and Networking	8	15.7
	Voice Over Internet Protocol (VOIP)	2	3.9
	Total	51	100.0

Q26e. What areas of web usage would you like to learn more about for your business? Mention 5

		Frequency	Valid Percent
Valid	Social Media and Networking	15	55.6
	Online Customer Feedback Tools	10	37.0
	Online Security	2	7.4
	Total	27	100.0

Q26f. What areas of web usage would you like to learn more about for your business? Mention 6

		Frequency	Valid Percent
Valid	Online Customer Feedback Tools	13	86.7
	Ecommerce	2	13.3
	Total	15	100.0

Q27. Finally, which sector does you business fall into?

		Frequency	Valid Percent
Valid	Retail	66	22.0
	Wholesale	8	2.7
	Service	103	34.3
	Manufacturing	2	.7
	Industrial	10	3.3
	Mining	4	1.3
	Forestry	2	.7
	Tourism / hospitality	28	9.3
	Not for profit / Associations	11	3.7
	Goverment / Public sector	25	8.3
	Education	21	7.0
	Health care	6	2.0
	Construction	8	2.7
	Transportation	3	1.0
	Electricity / gas / sanitary services	3	1.0
	Total	300	100.0