

## **Analysts warn small businesses: cut-price connectivity a false economy**

- Industry report helps small businesses overcome cost and complexity of business communications
- Companies urged against short-term deals and low cost connectivity
  - SMEs demand simplicity and reliability from suppliers
- 'Valuable Business Connections' report available to download from <http://www.easynetconnect.net/industry-insight/whitepapers-and-reports/quocirca-valuable-business-connections.aspx>

*London, 3 March 2010.* A new report sponsored by leading business Internet service provider, [Easynet Connect](#) has revealed how complexity and cost are the main barriers to efficient communication within UK small businesses. The '[Valuable Business Connections](#)' report, authored by [Quocirca](#), advises businesses on how to create the best and most reliable communications investment plans.

The report highlights how small businesses, many of which have no full-time IT manager, are being held back from making the best use of communications technology due to the complexity and cost of new tools. Businesses also face the challenge of managing the influx of consumer, 'shadow IT' applications like Skype and instant messenger, providing the systems to support remote and home workers as well as deciphering the latest vendor-driven services and buzzwords such as 'unified communications' or 'fixed mobile convergence'. This challenge is compounded by the continual need to manage bandwidth and capacity in order to support business critical applications as well as controlling costs and ensuring return on investment from communications tools.

As part of ten expert considerations, the report outlines how small businesses can get the best value for money from their IT and communications investments, advising against short-term deals, low-cost connectivity and to seek out flat-rate tariffs over pay-per use contracts.

Rob Bamforth of [Quocirca](#) said of the report: "Small businesses rely upon effective communications tools, but often many are too complex or costly to be worthwhile. There is pressure for small companies to drive reliability and value, without solely focussing on price. For instance, low cost connectivity can be a false economy when it is an integral and critical component which

underlines core business tools and powers applications like e-commerce and conferencing which save other costs such as transport, energy and rent.”

Chris Stening, Managing Director of [Easynet Connect](http://www.easynetconnect.net) added: “Small businesses need to develop a full understanding of their communication requirements in order to prioritise the tools they use. This report highlights the full extent of the challenges faced by small businesses when choosing their communications suppliers. Small businesses are being bombarded from all angles with new technologies and trends, which, for companies often without dedicated IT managers, can become a potential minefield. But with 71% of small businesses unable to function for longer than a day without internet access, taking the wrong approach can be costly in terms of time, money and even reputation. The reliability of the service you receive should therefore be your absolute top priority when choosing your communications provider.”

**Expert recommendations 1-4** (full advice 1-10 available in the full report, *Valuable Business Connections*, <http://www.easynetconnect.net/industry-insight/whitepapers-and-reports/quocirca-valuable-business-connections.aspx> )

**1 - Assess current use** – what is in place and on the roadmap? Rationalise and consolidate, but do not blindly cut back on items bringing in value or that are saving costs elsewhere. Make ongoing assessments; the asset mix shifts as employees come and go, or services and suppliers change. Avoid paying unnecessary bills or for those who have left.

**2 - Prioritise shared or limited resources** – internet and data connections will often run many services. Are the business-critical ones that rely on them being protected and provided sufficient capacity or resources? Can these be easily scaled in an incremental way? Low cost connectivity can be a false economy, especially when applications such as e-commerce and conferencing save other costs such as transport, energy and rent.

**3 - Investigate supplier alternatives** – could existing suppliers offer a better discount or a new one with more options offer a bundled service to reduce overall costs? Short term deals, while welcome, do little to address underlying problems. Take a broader view of total communications needs and potential solutions rather than item by item savings.

**4 - Incremental outsourcing** – staffing or skilling up to run the wide range of communication technologies required for even the smallest business is expensive. Can you outsource elements – e.g. device management, security or billing – to avoid needing in-house support and keep costs predictable?

**Ends**

### Supporting materials for media:

- Full report available for download from: <http://www.easynetconnect.net/industry-insight/whitepapers-and-reports/quocirca-valuable-business-connections.aspx>
- Chris Stening and Rob Bamforth are both available for interview (contact [easynetconnect@brands2life.com](mailto:easynetconnect@brands2life.com))

### Tags

- Quocirca, SME, Easynet Connect, Valuable Business Connections, broadband, SDSL, ADSL, business broadband

### Social media

- Follow us on Twitter: [@easynetconnect](https://twitter.com/easynetconnect)
- Join us on LinkedIn: [Easynet Connect](#)
- Visit our YouTube channel: [Easynet Connect](#)

### About [Easynet Connect](#)

[Easynet Connect](#) is a leading provider of quality connectivity and internet access for small to medium size businesses.

Established in 1994 and part of BSkyB Group, Easynet Connect is one of the largest networks in the UK with 6030km of fibre and last mile access to more than 70% of UK businesses via a network of more than 1,200 unbundled exchanges.

Easynet Connect is the first ISP to launch a reliable fixed-rate 100 Mbps fibre service across London, as well as being the first in the UK to have provided DSL services over an unbundled local loop and has pioneered managed LLU services for business. Easynet Connect's services range from business class ADSL and SDSL through to high-quality, [leased line equivalent](#) and Ethernet based services. Our SDSL coverage is currently the most extensive in the UK.

We offer a range of uncontended symmetrical speeds up to 1Gbps, all backed by 24x7 UK-based network monitoring and customer support, 99.9% Service Level Guarantees and an enviable 95% First Time Fix rate.

Our 20-day installation pledge for our EtherStream and SureStream products is the shortest of the few installation pledges currently available on the market.

For more information visit [www.easynetconnect.net](http://www.easynetconnect.net) or call 0800 053 1777

Media enquiries contact Linda Harris, [linda.harris@uk.easynet.net](mailto:linda.harris@uk.easynet.net) 020 7032 5073 or George Wright or Joseph Thomas, [easynetconnect@brands2life.com](mailto:easynetconnect@brands2life.com) on 0207 592 1200.

### **About Quocirca**

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With worldwide, native language reach, Quocirca provides in-depth insight into the views of buyers and influencers in large, mid-sized and small organisations.

Sponsorship of specific studies allows much of Quocirca's research to be placed into the public domain at no cost. Quocirca's independent culture and the real-world experience of Quocirca's analysts ensure that its research and analysis is always objective, accurate, actionable and challenging.

Quocirca reports are freely available to everyone and may be requested via [www.quocirca.com](http://www.quocirca.com).