

CALIFORNIA SMALL BUSINESS INITIATIVE

Survey Findings Report

August 2009



CARAT

California Resources and Training®

Innovators in TA Performance and Service

CALIFORNIA

SMALL BUSINESS INITIATIVE

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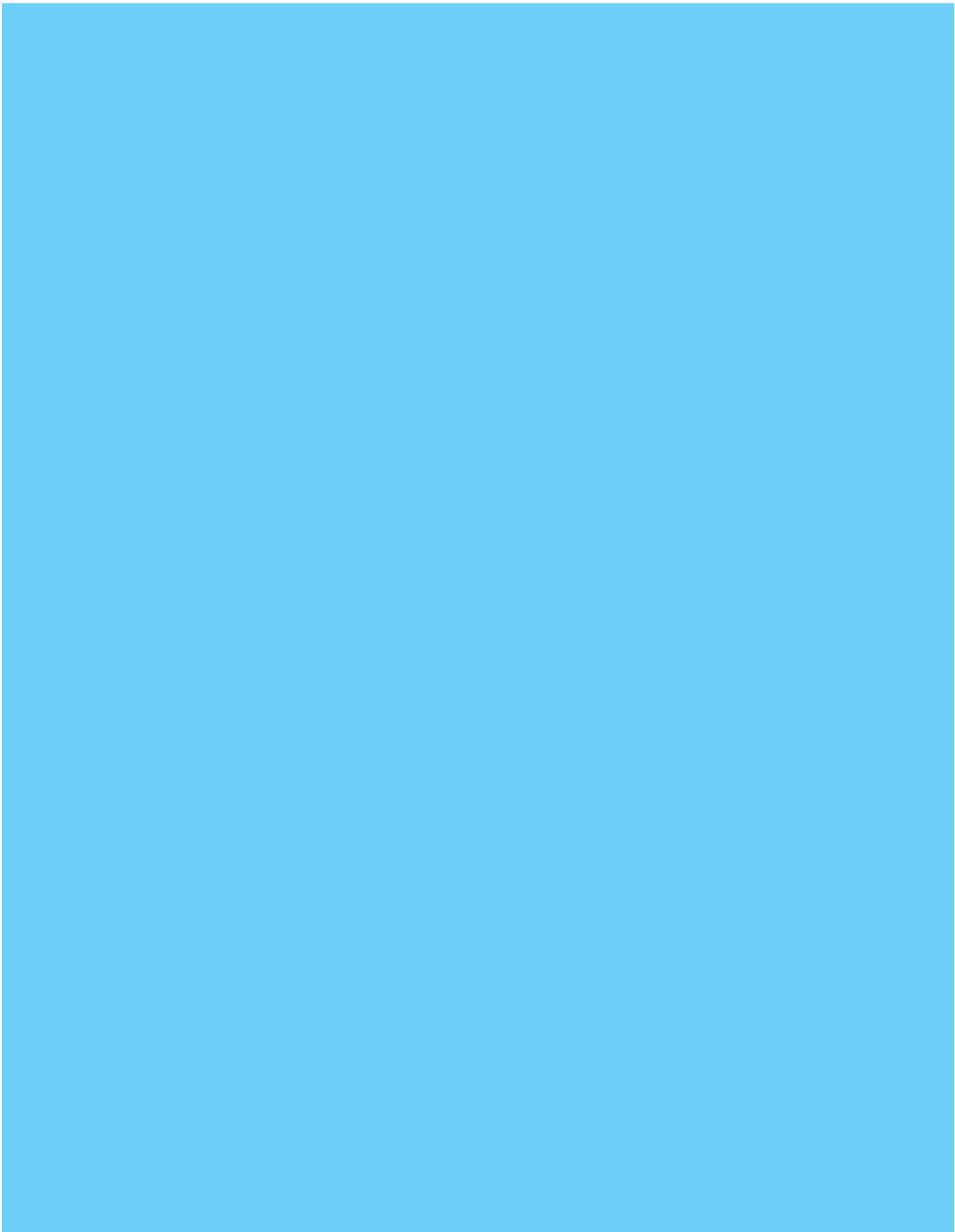
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California Black Chamber of Commerce
California State Hispanic Chamber of Commerce
Sacramento Asian Pacific Chamber of Commerce
Asian Business Association

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TABLE OF CONTENTS

Our Findings.....	1
A. Overview and Methodology.....	2
I. Surveys Responses.....	2
Figure 1: Responses Received.....	2
II. Surveys by Collection Method.....	3
Figure 2: Distribution of Responses.....	3
B. Company Characteristics and Owner Demographics.....	4
I. Company Characteristics.....	4
Figure 3: Company Characteristics.....	5
II. Demographic Data.....	6
Figure 4: Owner Demographics.....	6
C. Technology & Internet Connectivity and Internet Usage.....	7
I. Computer Ownership.....	7
Figure 5: Computer Ownership.....	7
II. Internet Access.....	8
Figure 6: Internet Access Type and Provider.....	8
Figure 7: Internet Access.....	9
III. Internet Usage.....	10
Figure 8: Internet Inaccessibility.....	10
D. Application Usage and Barriers.....	11
Figure 9: Internet Usage.....	11
I. Application Usage.....	11
II. Barriers to Technology.....	11
Figure 10: Application Usage.....	12
Figure 11: Inhibitors to Broadband Usage and Desired Service Level.....	13
Figure 12: Inhibitors to Greater Broadband Usage.....	13
E. Market Segmentation Overview.....	14
F. Recommendations.....	15
Figure 13: Benefits and Drawbacks to Training.....	16
Appendix: Small Business Broadband Usage Survey.....	17



Our Findings

The State of California has a vibrant small business community known for its adoption and implementation of cutting edge technologies. Silicon Valley is the preeminent region in the world for technological innovation. Much of the technology centers on broadband Internet adoption and usage.

While businesses are adopting technology and broadband at a rapid pace, many minority small businesses have fallen behind in technology adoption. The resulting gap in adoption affects the businesses' ability to effectively and efficiently compete in the marketplace.

To understand this gap, CETF, in partnership with CARAT and its collaborative partners, embarked on a study to understand the level at which broadband is being utilized by disadvantaged small businesses in the state of California.

We employed a number of methods to reach out to specific respondents. Specifically, we reached out to more than 14,000 small businesses and received over 3,600 responses to the survey. We utilized our collaborative partners and their member organizations to collect responses. The primary response collection methods were Internet-based electronic responses and hardcopy responses.

Based on the responses received, we found that:

- The majority of the responding small companies are established, service-based businesses with a relatively small employee base. The average business size is less than 10 employees and the business owners have been in business over 10 years.
- There is a noticeable Digital Divide among businesses owned by traditionally disadvantaged groups. Fifteen percent of businesses do not have Internet access and 35% do not have a website.

- There is a glaring need for education amongst those without access. The majority cite cost or lack of need as primary reasons for not having Internet access. Given the current low cost access alternatives, and the marketing opportunities associated with having Internet access, it becomes clear that this group lacks exposure to potential broadband opportunities.
- For those with broadband access, the primary mode of access is DSL. The number of providers utilized by those with broadband access is highly concentrated among 5-6 vendors.
- The majority of businesses with broadband access describe themselves as being at least moderately familiar with the Internet. They spend a substantial amount of time online.
- Primary uses of the Internet are for more mature technologies. Most use the Internet for e-mail, information, and research. Applications that require a higher level of security (online banking and e-commerce) are used less frequently. Emerging technologies such as VoIP are used infrequently.
- Cost is seen as a primary concern by most business owners when deploying new technologies.
- Many users want personalized education on broadband technology and its applications.

“There is a glaring need for education amongst those without access. The majority cite cost or lack of need as primary reasons for not having access.”

A. Overview and Methodology

We employed a number of methods to reach out to specific respondents. Specifically, we have reached out to more than 14,000 small businesses and received over 3,600 responses to the survey. We utilized our collaborative partners and their member organizations to collect responses. The primary methods were:

- **Hardcopy** responses gathered by collaborative partners through canvassing of their member organizations and organized roundtables.
- **Electronic** responses gathered by collaborative partners using their e-mail mailing lists and websites.

Specifically, we reached out to more than 14,000 small businesses to understand several key areas of their broadband adoption:

- Demographics and basic company information
- Current uses of technology (i.e., their computing assets)
- Internet connectivity and inaccessibility
- Internet usage and application
- Barriers to using technology

(For a detailed look at the complete survey, refer to the appendix.)

By reviewing the surveys submitted by the small businesses, we are able to gain a heightened insight into the technology and broadband dynamics of California’s disadvantaged businesses.

I. Survey Responses:

As stated previously, we received over 3,600 responses to the survey. We analyzed 2,983 surveys representing responses gathered by our collaborative partners. Each collaborative partner had a pre-defined goal based on the size of their organization and the reach of their base.

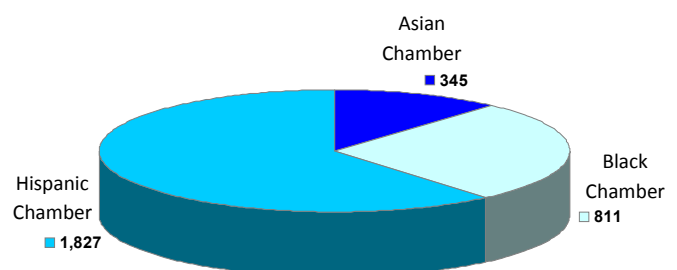
The data from the following partners was analyzed:

- **Asian Chamber:** 345 Surveys
- **Black Chamber:** 811 Surveys
- **Hispanic Chamber:** 1,827 Surveys

“Specifically, we reached out to more than 14,000 small businesses to understand several key areas of their broadband adoption.”

The chart below (Figure 1) shows the breakdown of responses by collaborative partner. It should be noted that the numbers represent *completed* surveys and are, for each collaborative partner, proportionate to their overall goal. Surveys were screened for completeness and consistency to ensure the accuracy and integrity of the overall survey results.

Figure 1 Responses Received



II. Surveys by Collection Method:

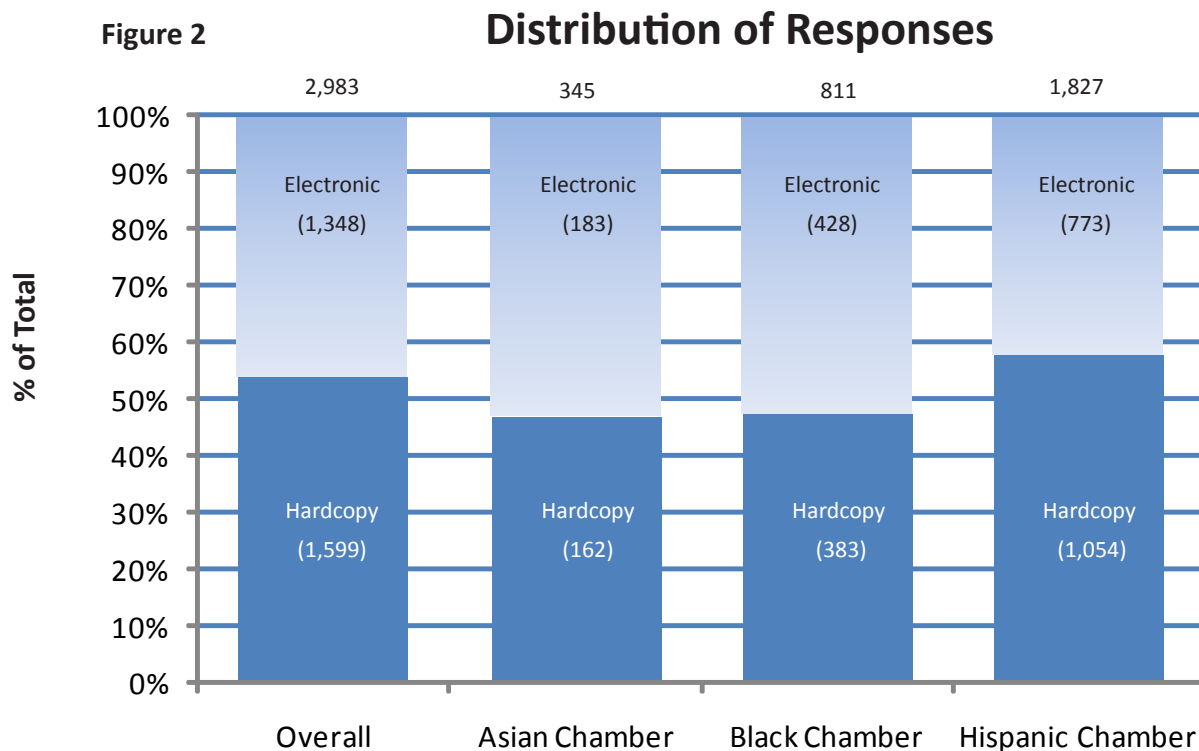
The surveys were collected in electronic and hardcopy format. It was important to collect a balanced amount of both hardcopy and electronic surveys to ensure the validity of the survey results.

- Hardcopy surveys were more time intensive to collect than electronic surveys, but captured a critical segment of businesses that may not have been discerned through electronic-only surveys. Businesses that were less technologically savvy or not connected to the Internet were adequately represented through hardcopy surveys.
- Electronic surveys required less manpower to collect than hardcopy surveys and allowed the collaborative partners to extend the reach of the number of businesses surveyed. However, electronic surveys required more extensive data filtering to ensure accuracy. Electronic surveys were primarily collected using pre-existing

member e-mail databases and postings on collaborative partner websites.

The chart below (Figure 2) highlights responses received by format, and by collaborative partner. Overall, 54% of the surveys received (highlighted in grey) were hardcopy results. The Asian and Black chambers collected 47% of their responses through hardcopy inputs, while the Hispanic chamber collected 57% of their responses from hardcopy surveys.

Any material differences between hardcopy and electronic survey respondent results are noted throughout this report.



B. Company Characteristics and Owner Demographics

The majority of companies we surveyed are established, service-based businesses with a relatively small employee base. Revenues are typically under \$200,000 per year. Additionally, business owners are typically more experienced.

There are several attributes that we surveyed in the area of demographics and company data:

- **Number of Employees**
- **Age of Company**
- **Revenues**
- **Industry**
- **Age of Company Owners**
- **Gender of Owners**
- **Ethnicity of Owners**

I. Company Characteristics:

Number of Employees

Most of the small businesses have less than 10 employees and represent the “sweet spot” of the target audience we are attempting to reach. As noted in the chart below (Figure 3), 49% of the businesses have between 1 and 9 employees. Twenty-six percent of companies are sole employee businesses.

As with most very small businesses, these companies lack resources. Resources related to technological assets and access to technology training is scarce. The audience, given their size, is looking for small scale, cost effective solutions. Introducing minimal technological solutions to this target group has the ability to dramatically impact the bottom line of their businesses.

“Most of the small businesses have less than 10 employees and represent the “sweet spot” of the target audience we are attempting to reach.”

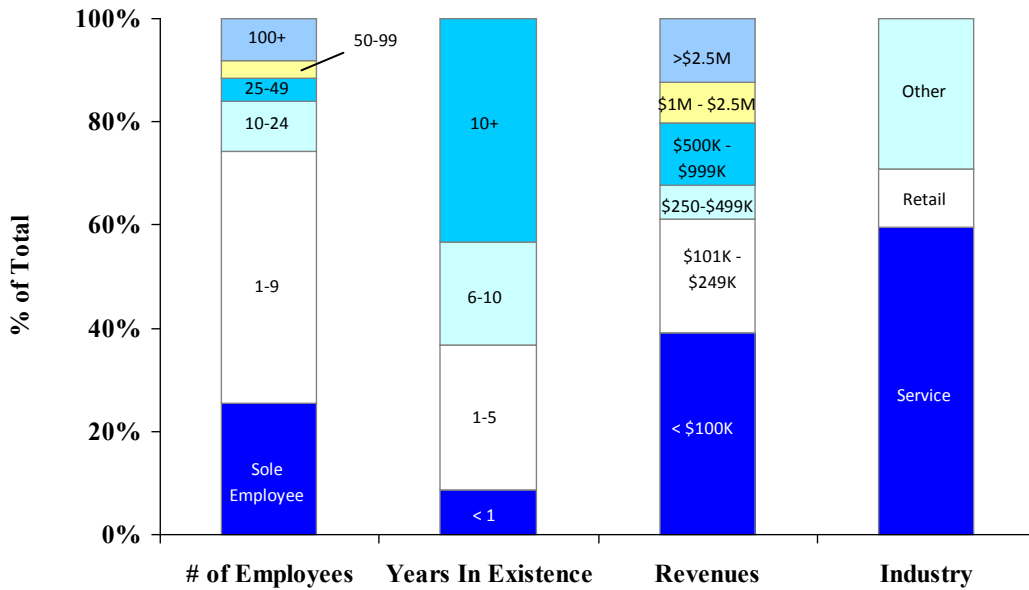
Years in Existence

While the companies trended to the smaller side of the employee spectrum, they tend to be more established ongoing businesses.

As noted in Figure 3, nearly 45% of organizations have been in existence for more than 10 years. An additional 20% of the businesses have been in existence for over 5 years. Startup businesses (less than a year in existence), while a small segment overall, represented a larger segment of hardcopy (11%) than electronic survey respondents (7%). Predictably, less established businesses have less access to technology.

There is a substantial opportunity among established businesses. Sixty-five percent of the businesses have been in existence for more than 5 years. There is a measure of stability and commitment within this group of businesses. Those with established ongoing businesses are more likely to be receptive to broadband training and education that will assist their businesses in moving forward.

Figure 3 Company Characteristics



Company Revenues

Consistent with the size of their employee base, the majority of the companies grossed less than \$100,000 in revenues annually. Thirty-nine percent had less than \$100,000 in revenues and 60% had less than \$250,000 in revenues. The relatively small revenue base of the companies surveyed indicates that there is a scarcity of investment dollars available for large-scale technological solutions. The size and revenue base of the primary group surveyed underscores the need for cost-effective broadband technology options.

Industry Classification

Industry classification was broken down into 6 categories:

- Construction
- Manufacturing

- Retail
- Service
- Wholesale
- Other

Sixty percent of the companies surveyed classified as a service industry business. A small segment (11%) classified themselves as retail, with the remaining group bundled as “other.” Service businesses, while typically lacking substantial hard assets, rely heavily on human capital. Many service businesses rely on contractors and part-time employees that do not work on site. Broadband applications that allow service businesses to effectively collaborate with contractors and employees off-site are crucial to increasing long term business profitability.

II. Demographic Data:

We also surveyed respondents for basic demographic data (Figure 4). The parameters were:

- **Gender:** We surveyed to understand whether business owners were male, female, or co-owners with different genders.
- **Age:** We segmented the sample population into 3 distinct age groups.
- **Race/Ethnicity:** We segmented into 4 primary categories.

Gender

Gender skewed slightly towards males. Fifty-three percent of businesses were male-owned. Thirty-nine percent of the companies were female-owned and 8% were co-owned businesses.

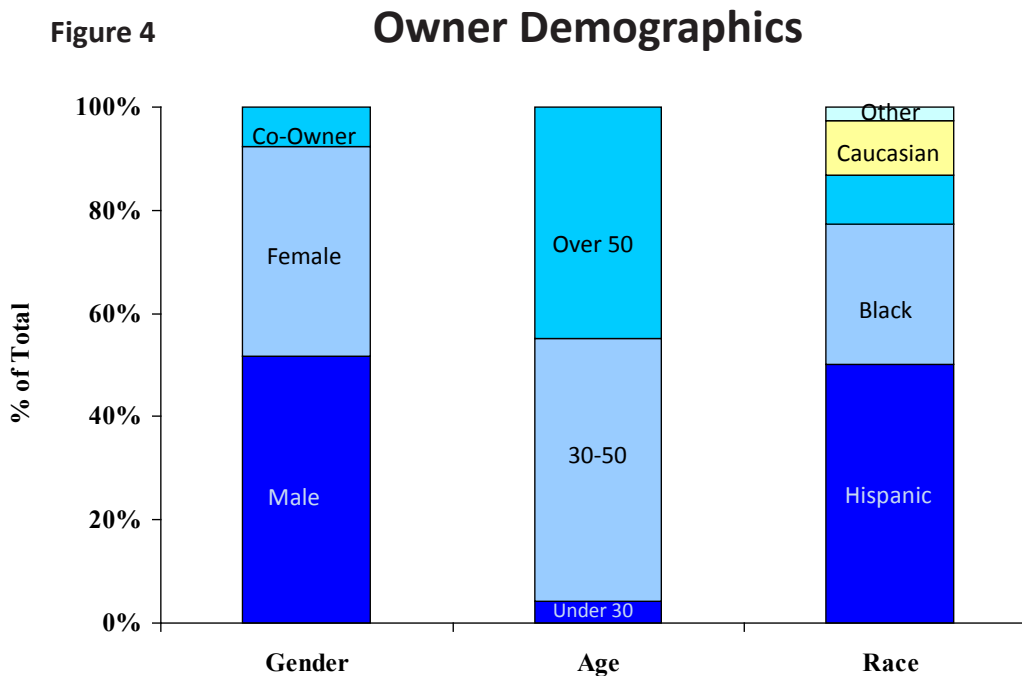
Age

Ninety-three percent of respondents consisted of “over 30” business owners. Specifically, 50% of

the business owners were between the ages of 30 and 50. These business owners tend to be more technologically savvy than the “over 50” group of business owners. As a group, the “between 30 and 50” set are more receptive to learning new technologies. The “over 50” business owners are more apt to continue their current methods of doing business. The “over 50” business owners are most receptive to new technologies when there are adequate training resources in place.

Race/Ethnicity

The breakdown in race was as follows: Hispanic (50%), African American (27%), Caucasian (10%), Asian/Pacific Islander (9%) and other (4%). While the ethnicity is generally consistent with the collaborative partner’s respondent population, there was some crossover in respondents reached, which accounts for a substantial Caucasian population in the survey results.



C. Technology & Internet Connectivity and Internet Usage

The majority of businesses we surveyed have access to a computer. Ninety-two percent either own a desktop or a laptop. Eighty-six percent have some type of Internet access.

For most, the primary mode of access is a DSL connection. In addition to access, 65% of business owners have a website. For those without Internet access, cost is the primary driver.

There are several attributes that we surveyed in the area of technology and Internet connectivity:

- Computer Ownership: The number of desktops and laptops owned by the business.
- Internet Access: Does the business have Internet access?
- Website: Does the business have a website?
- Type of Internet Access: The type of Internet access and provider.
- Internet Inaccessibility: Reasons for not having access to the Internet.

I. Computer Ownership:

Access to computing technology is the first step to using broadband technology. Specifically, ownership and familiarity with using a computer is necessary to accessing and utilizing broadband technology. We surveyed respondents to understand the number of computing assets that they have access to for business use.

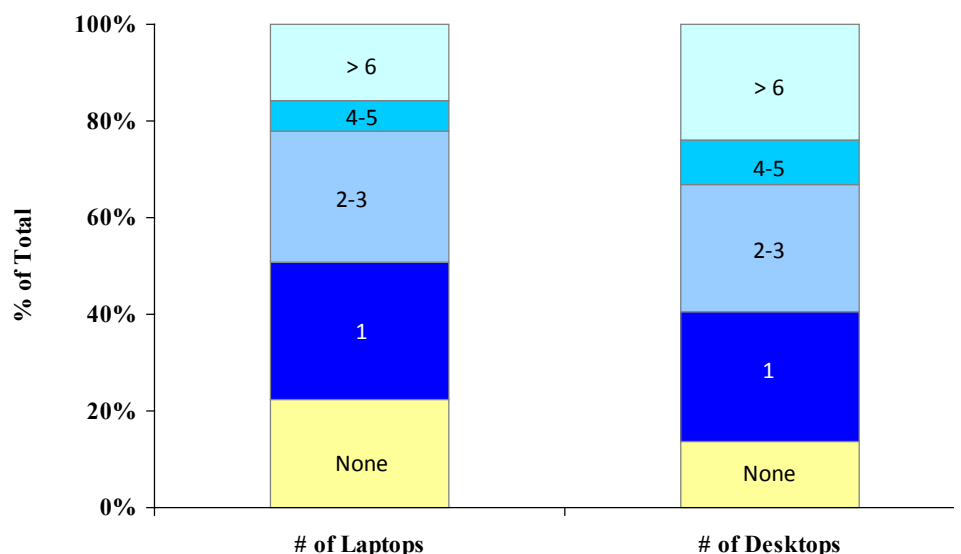
Figure 5 outlines computer ownership. Most small businesses own a computer, and desktops are deployed at a higher rate than laptops. Ninety-two percent of the businesses surveyed owned either a desktop or a laptop. In our sample

group, 86% of respondents owned at least 1 desktop and 24% owned 6 or more desktops. Seventy-eight percent of respondents owned a laptop.

Given that the historical average selling price of the desktop is significantly lower than that of a laptop, it makes sense that small businesses deploy desktops at a higher rate.

“Most small businesses own a computer, and desktops are deployed at a higher rate than laptops.”

Figure 5 Computer Ownership



II. Internet Access:

Connecting to the Internet

For businesses with Internet access, the primary mode of getting to the Internet is with a DSL connection (45%) (Figure 6). DSL connection is the prevalent source for two primary reasons: cost and availability.

A simple, low-speed broadband connection, while somewhat limited in its broadband uses, is currently the most cost-effective method to access the Internet. It provides an “always on” connection, which is superior to dial-up. Given the primary uses of the Internet for the majority (e-mail and research), most small business owners find the DSL solution to be adequate. For these solutions, speed is not a primary concern. The low speed DSL solution only becomes an issue when multi-tasking, or multiple users are accessing the same connection.

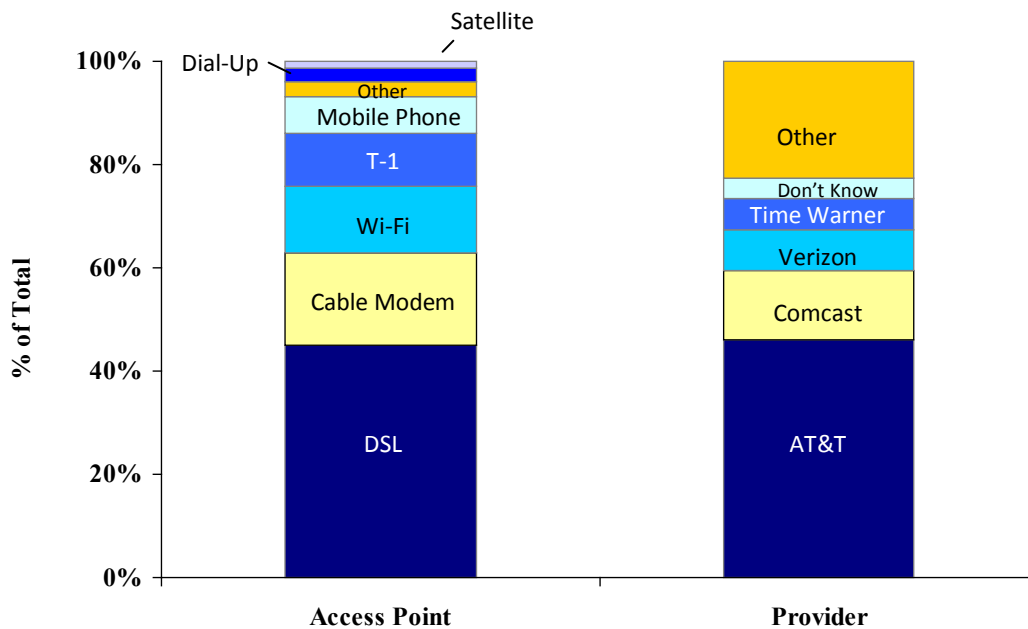
Internet availability is also a concern. Many office

buildings are not wired for cable modem usage, which limits options for the small business owner. DSL availability, while not accessible everywhere, tends to be more widespread.

Cable modems are utilized by 18% of respondents. The primary reason for cable modem usage was speed. Wi-Fi access, while not mutually exclusive to other types of connections, is utilized by 13% of respondents. Primary users of Wi-Fi access were laptop owners with broadband cards. T-1 Lines were utilized by 10% of the population. The majority of T-1 users were larger companies (50 employees or more). The speed of T-1 lines, while favorable, is cost prohibitive for the majority of small business owners.

For those with an Internet connection, the two primary DSL service providers were AT&T and Verizon. AT&T has a 46% market share among survey respondents. Comcast and Time Warner are the predominant cable service providers. Comcast

Figure 6 Internet Access Type and Provider



has a 13% market share among the base of survey participants.

Overall, we found that the market is highly concentrated. Among our respondents, five service providers accounted for over 75% of the overall market. While most businesses do not have access to all broadband options, a DSL and/or broadband option was available to most businesses.

Internet Inaccessibility

Surprisingly, 14% of all businesses surveyed do not have Internet access (Figure 7). Ten percent of those surveyed by electronic means did not have Internet access, while 20% of those surveyed by hardcopy surveys did not have access.

The primary reasons for lack of access were cost and perceived lack of need (Figure 8). Both issues seem to indicate the need for increased broadband education and training.

Forty-three percent of small business owners without access stated that cost was the primary reason for their not accessing the Internet. While there are some hardware hurdles, given the tiered pricing of many service providers, basic access can be acquired for a relatively modest fee. In some cases, broadband access can be acquired for a smaller monthly fee than the existing dial-up options. Many businesses without access perceive the cost to be substantially higher than the actual cost.

Thirty-seven percent of small business owners stated a lack of need as their primary reason for not accessing the Internet. These businesses are typically service businesses such as

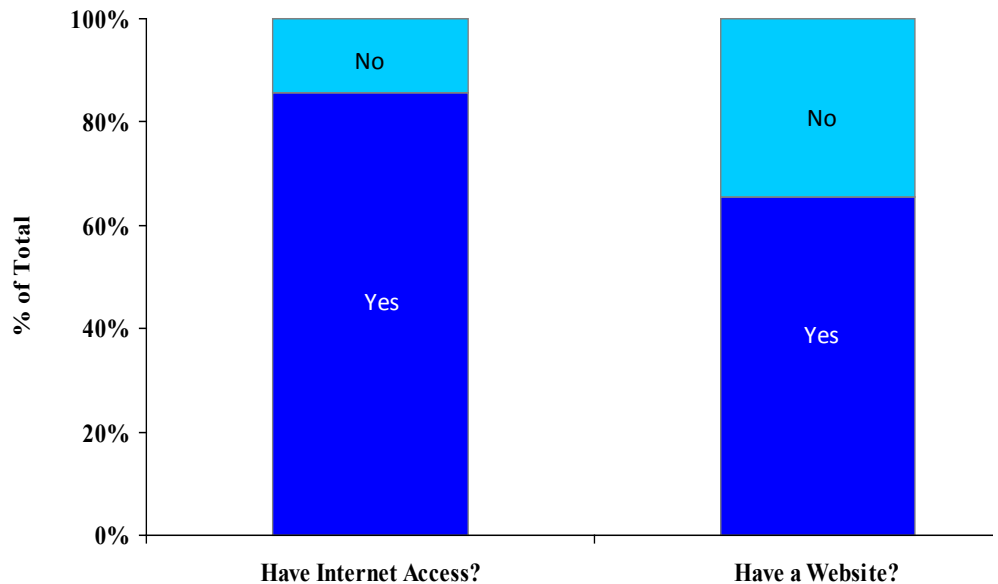
restaurants, landscaping firms, and dry cleaners. Since their wares cannot be purchased online, many do not see the benefit of marketing their businesses on the Internet. Education centered on Internet marketing is necessary to assist these businesses in understanding both the need for broadband access, as well as the potential returns from accessing the web.

As further proof that many businesses do not see a need, 70% of those without access do not have immediate plans to acquire the Internet. There is an element of “if it isn’t broken, don’t fix it” in their attitudes towards their businesses and the Internet. Their businesses have successfully existed for a number of years and they do not feel a compelling need to change.

To reach these disaffected groups, the interaction has to be personal. Over 50% would rely on the recommendation of a friend to make an Internet purchase decision. An additional 23% would rely on the literature of an ISP to make the purchase decision. The large number of small business

Figure 7

Internet Access



owners who would rely on a friend’s recommendation speaks to how the broadband decision is perceived to be complex. The recommendation of a friend does not require sifting through pages of documentation, understanding foreign terminology, or deciding from a myriad of options.

Website Ownership

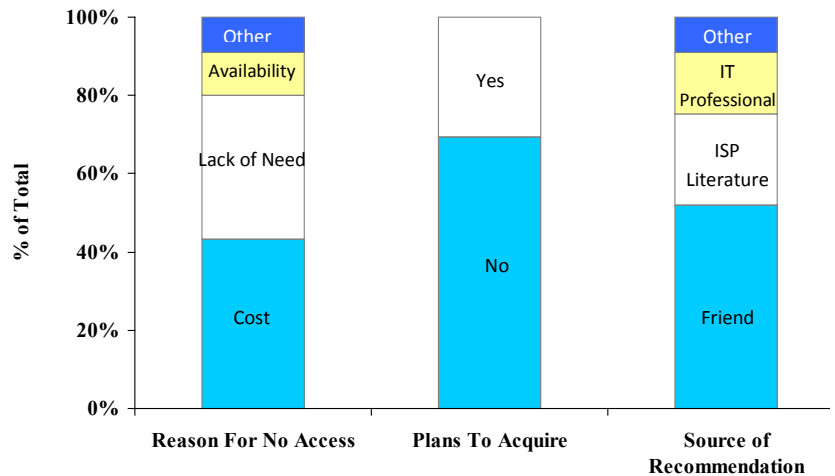
Thirty-five percent of small businesses do not have a website (Figure 7). The primary concerns are:

- **Cost to build website:** Technology has improved to the point that a small website can be developed without the assistance of a web developer, with minimal cost to the business owner. Many of the business owners surveyed perceive the costs associated with building a website to be prohibitively expensive.
- **Site maintenance costs:** Site maintenance is also viewed as an ongoing cost that may require substantial in-house resources. Given the solutions available to small businesses, many sites can be updated and maintained by novice technology users.
- **Finding a reputable firm to build the website:** Many business owners are concerned about locating the appropriate resources to build their website. The combination of finding a web developer and ensuring high quality work are perceived as daunting challenges. There is a need to: a) determine if a web developer is necessary for their specific needs; and b) provide a resource that plugs the business owner into a network of reputable web developers.

III. Internet Usage:

For small business owners that use the Internet,

Figure 8 Internet Inaccessibility



they can be classified into 4 categories (Figure 9):

- Unfamiliar
- Novice
- Moderately Familiar
- Expert

The respondents in these categories were self-identifying, but useful in segmenting users and their needs. General trends related to application usage and barriers to the Internet can be gleaned by viewing the responses of the various groups.

Internet Familiarity

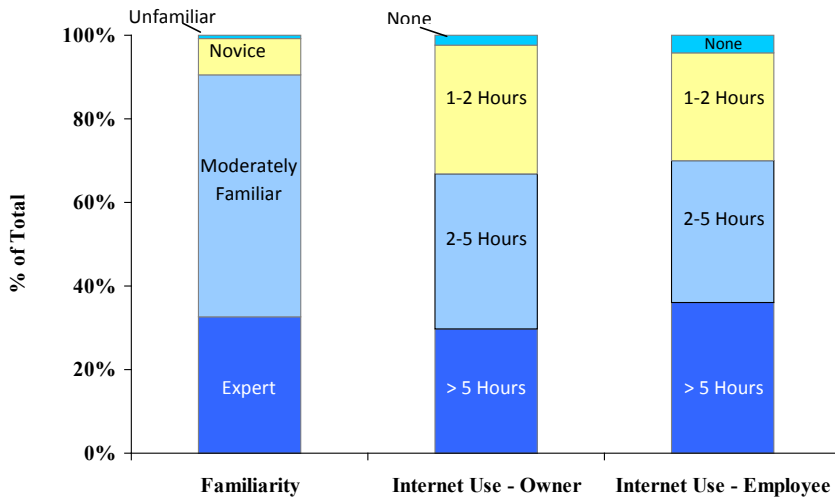
Seventy-five percent of respondents were at least moderately familiar with the Internet. As we will see, their familiarity with the Internet drives the application usage of the various groups.

Daily Usage Trends

In terms of usage, more than 2/3 of owners and employees use the Internet over two hours a day. Over 30% of each group spends more than five hours a day on the Internet.

D. Application Usage and Barriers

Figure 9 Internet Usage



Given the amount of time spent on the Internet by both owners and employees of small businesses, it was necessary to know what type of broadband applications owners and employees were utilizing. We also surveyed the “pain points,” which inhibited Internet usage. Specifically, we tracked several variables:

- Broadband application usage and the intensity of use
- Barriers to technology
- Importance of technology assistance

I. Application Usage:

We surveyed business owners on the frequency of their use of specific broadband applications (Figure 10). By using a weighted scale (3 for heavily used, 2 for moderately used, 1 for infrequently used), we are able to analyze usage patterns. Mature technologies such as e-mail and information/research were heavily used, while emerging technologies (VoIP) were used sparsely. Specifically:

E-mail (weighted ranking of 2.85): The most heavily used application. Eighty-eight percent of

respondents always use e-mail, while only 2% never use e-mail.

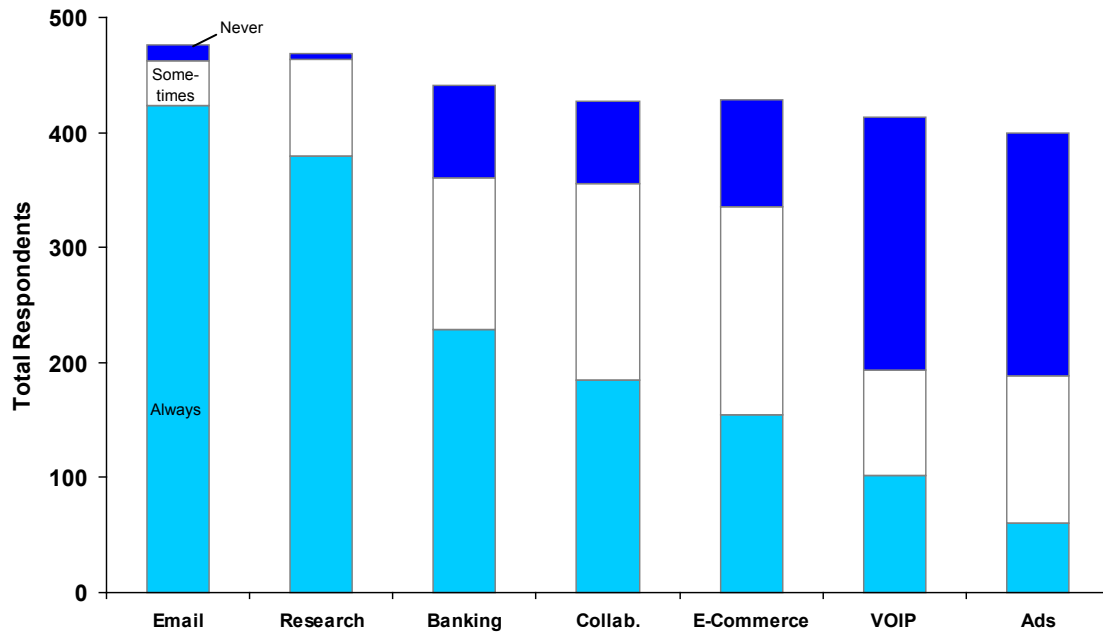
Information and Research (2.71): A large number of business owners utilize broadband for information and research. Seventy-four percent of respondents always utilize information and research tools, while only 3% never do information and research on the Internet.

- Online Banking (2.27): Close to half of business owners utilize online banking (48%). Thirty one percent use online banking sometimes, while 21% never use online banking functions.
- Collaboration (2.18): There is an even split of respondents who always utilize collaboration (39%) and sometimes (28%). Twenty percent never use collaboration tools.
- E-Commerce (2.04): The majority of users use e-commerce sometimes (40%). There is an even split among users who use e-commerce always (32%) and never (28%).
- VoIP (1.59): Most respondents (62%) never use VoIP. There is a segment of users (20%) that always use VoIP.
- Ad Purchases (1.55): Most respondents (60%) never purchase ads. Twenty-six percent of respondents use ad purchases sometimes.

II. Barriers To Technology:

The primary barriers to using broadband technology are cost and education (Figure 11). Many small businesses perceive that deploying broadband technology and the associated applications as being cost prohibitive. Additionally, they view their ability to utilize the technology as being limited given their general lack of understanding of the available tools.

Figure 10 **Application Usage**



Using Broadband

The majority of respondents cite cost as the major factor that inhibits broadband usage (Figure 11). Additionally, there appears to be a need for education. Many respondents felt that they were limited by their knowledge of broadband options available to them. Many respondents also see the need for technology support in order to increase their broadband usage.

To increase their knowledge of technology, respondents want a personalized touch (Figure 11). The majority of respondents look to technical support catered to their specific businesses in order to implement technology. Additionally, most want general support as well as classes to increase their knowledge.

If properly trained, most respondents look to increase their usage of emerging technologies (Figure 12). Specifically, e-commerce and collaboration are the two technologies that would

be utilized more frequently. VoIP would also be utilized to a greater degree with additional training.

Online assistance (73%) is most popular among those who have an existing familiarity with the Internet (Figure 12). Those who are unfamiliar with the Internet are less likely to utilize the Internet for technical assistance as opposed to those with familiarity.

“If properly trained, most respondents look to increase their usage of emerging technologies. Specifically, e-commerce and collaboration...”

Figure 11 Inhibitors to Broadband Usage and Desired Service Level

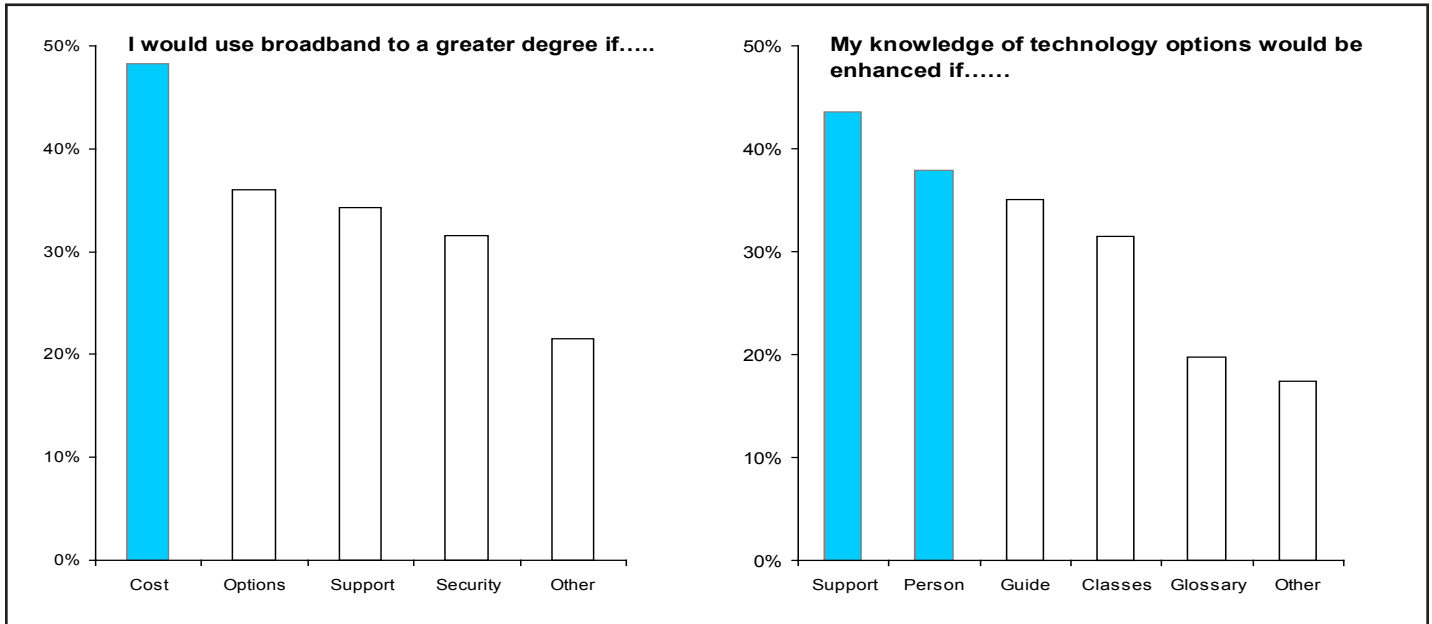
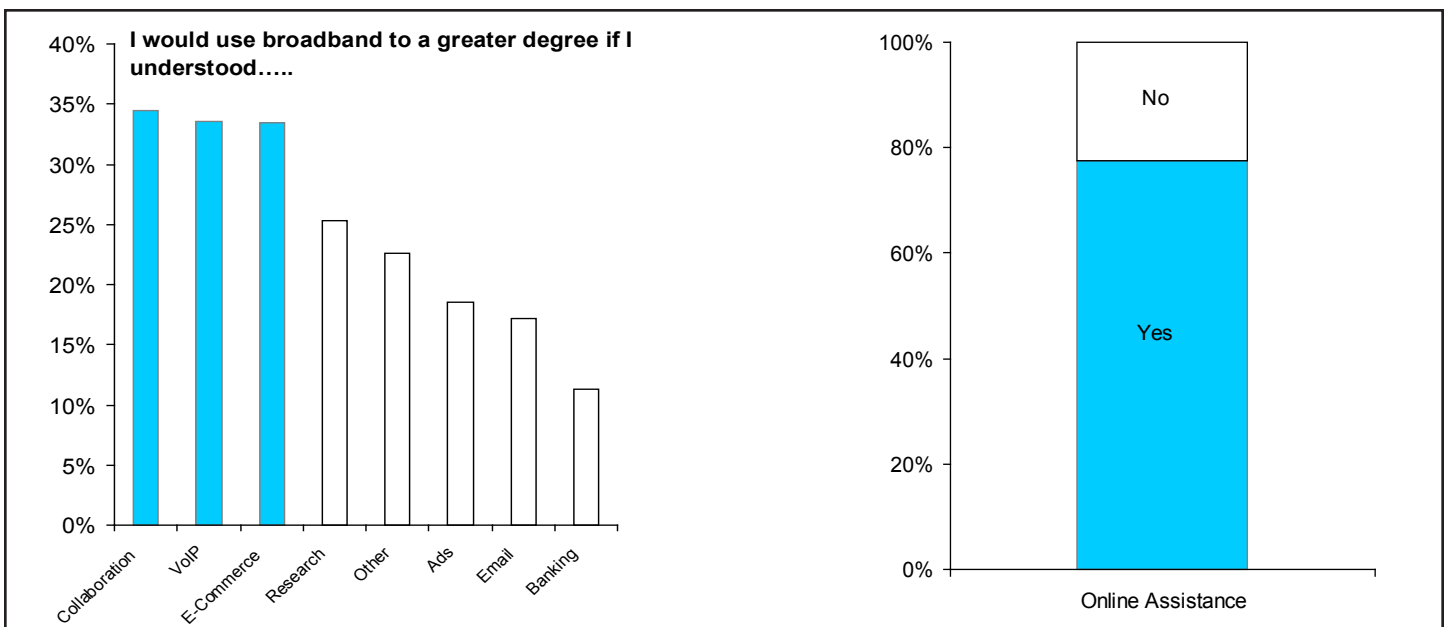


Figure 12 Inhibitors to Greater Broadband Usage



E. Market Segmentation Overview

The respondents surveyed fall into four basic categories:

- No Access (14%). This group does not have any type of Internet access. Very few have an e-mail address. Almost 60% of this group does not own a computer. This group is comprised primarily of small vendors with few employees. To increase usage among this group, they will need extensive training on computers, technology, the Internet, broadband access and broadband applications. Given their unfamiliarity, education would need to be in the form of in-person training sessions. Specifically, this group would need a series of live trainings to come up to speed. Relative to other groups, the “no access” group is the most costly to serve.
- Novice (8%). Novice includes dial-up users (3%). This group uses the Internet for the most basic of functions (i.e., email and research). Novices are very infrequent users (spend less than 2 hours/day online). They are less likely to own multiple computers, and their technology assets are not state-of-the-art. Similar to the “no access” group, novices have small companies with very few employees, if any. Most novices need training on technology, the Internet, broadband access and broadband applications. Education for novices can be in the form of live training, chat, and telephone support.
- Basic Knowledge (50%). Those with basic knowledge use the Internet for e-mail, research, and collaboration. They spend a moderate amount of time online and have multiple computers (typically several desktops and laptops). Those with basic knowledge need training to understand how broadband applications can improve business productivity.

Education can be in the form of webinars, live chat, social networks, and one-on-one technical consulting.

- Expert (28%). Experts use the Internet for e-mail, research, collaboration, as well as advanced functions such as VoIP. Experts spend a large amount of time online (over five hours/day) and own multiple computers. Experts tend to need training on specific applications/cutting edge technologies that can improve their businesses. Education can be in the form of webinars, live chat, social networks, and one-on-one technical consulting.

We developed a set of recommendations that address the overall need for broadband education and training for the overall population. But, given the specialized needs of the individual segments, we tailored the types of training and delivery methods to the various groups.

“The respondents surveyed fall into four basic categories: No Access... Novice... Basic Knowledge... Expert...”

F. Recommendations

Based on our findings, to increase broadband awareness among the surveyed groups, we recommend a two-pronged approach for education on broadband applications while simultaneously providing technical support to businesses.

General Education and Awareness of Broadband Solutions

There is a gap between the range of broadband solutions available and the level at which our surveyed group understands those solutions and their uses. When surveyed about acquiring broadband technology, most small business owners cite cost as a primary concern. When surveyed about application usage, most owners are unaware of the technologies available and how they can positively impact profitability.

The perception of high cost broadband solutions, coupled with a lack of awareness of broadband technologies available to small businesses, has dramatically stifled broadband usage among disadvantaged small businesses. A large number of these businesses do not have a basic website or utilize email effectively. As noted earlier, 14% of businesses have not taken the first step of acquiring Internet access.

Given the wide array of cost effective, easy-to-use broadband solutions available in the marketplace, the first step in the education and awareness process is to disabuse the small business owners of the notion of high cost, hard to use broadband solutions.

To increase broadband technology usage, we recommend an extensive outreach and training program. The program should be designed to: a) increase awareness among small businesses about broadband solutions available to them, and b) educate small business owners on the cost benefits associated with adopting and integrating broadband

solutions into their business processes.

As part of the education and awareness process, it will be necessary to determine the relevant trainings based on the feedback from the groups as well as determine the best methods to deliver training to the various market segments.

Technical Support Help

While education and awareness training will spur broadband usage, it is critical to provide technical support assistance to businesses assessing and implementing broadband solutions. Based on survey results, small business owners need support in determining which broadband technologies are best for their businesses. Additionally, the support needs to be customized to the type and size of their business.

Based on the skill level of the business owner, technical support can come in several forms:

- **Telephone Support:** Can be utilized by all segments. Critical for the “no access” segment as they move towards acquiring broadband technology. Will be heavily used by “Novices” as well.
- **Live Chat:** Internet-based chat service. Most likely to be utilized by “Basic Knowledge” and “Expert” users. Allows users to solve problems in real time.
- **Web-Based Self Service:** A website that provides answers to frequently asked questions and functions as a clearinghouse to access additional web resources. “Novices” and “Basic Knowledge” users are most likely to utilize this resource.
- **Social Networking:** Group-based technical assistance. Members can get support from other members. Most likely to be utilized by “Basic Knowledge” and “Expert” users.

- **One-On-One Consulting:** Individual consulting tailored to the needs of the specific business owner. Primarily targeted at “Expert” users who have unique issues that are not easily addressed by traditional technical support issues.

The benefits and drawbacks to each training and technical support method are outlined below in Figure 13.

As stated previously, there is a glaring gap between the perception and reality of implementing broadband technology solutions. Cost and lack of awareness of broadband solutions are the primary

issues. By undertaking an awareness and education campaign and providing multiple channels for technical support, the gap can be dramatically decreased.

Educating small business owners on viable technology alternatives utilizing focused training will drive increased broadband awareness. Increased awareness will spur broadband usage and ultimately close the Digital Divide.

Figure 13

Benefits and Drawbacks to Training

METHOD	PROS	CONS
Live Training	<ul style="list-style-type: none"> • Hands-On • Can address issues real time 	<ul style="list-style-type: none"> • Expensive • Limited reach • Owners may not have time
Telephone Support	<ul style="list-style-type: none"> • Easily accessible • Can answer basic questions 	<ul style="list-style-type: none"> • Moderately expensive • Difficult to address higher level issues
Web Site	<ul style="list-style-type: none"> • Easily accessible • Owner can browse at their leisure • Can capture a large amount of info in one place • Can be refreshed constantly to keep pace with technological developments or customer feedback 	<ul style="list-style-type: none"> • Must be constantly managed • Owner must have Internet access
Live Chat	<ul style="list-style-type: none"> • Easily accessible • Can solve higher level issue using remote technology 	<ul style="list-style-type: none"> • Must have a rudimentary level of comfort with the Internet • Need a broadband connection
Webinars	<ul style="list-style-type: none"> • Easily accessible • Hands on • Can address issues real time 	<ul style="list-style-type: none"> • Need a broadband connection • Must have a level of comfort with the Internet
Social Networking	<ul style="list-style-type: none"> • Problem solving among a community • Responses may be tailored more to business owners needs 	<ul style="list-style-type: none"> • Must have a level of comfort with the Internet • Network must be managed to ensure relevant information is available
One-on-One Consulting	<ul style="list-style-type: none"> • Can tailor support to individual business owner 	<ul style="list-style-type: none"> • Expensive • Limited reach

Appendix

Small Business Broadband Usage Survey

I. Business Info:

1. Company Name: _____

2. Zip Code: _____

3. Number of Employees:

- | | |
|---|---------------------------------|
| <input type="checkbox"/> I am the only employee | <input type="checkbox"/> 25-49 |
| <input type="checkbox"/> 1-9 employees (including owners) | <input type="checkbox"/> 50-100 |
| <input type="checkbox"/> 10-24 | <input type="checkbox"/> 100+ |

4. Years in Existence:

- Less than 1 Year
- 1-5 Years
- 6-10 Years
- 10+ Years

II. Technology Used in Your Work/Business

5. Number of Laptops:

- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> 0 | <input type="checkbox"/> 4-5 |
| <input type="checkbox"/> 1 | <input type="checkbox"/> 6+ |
| <input type="checkbox"/> 2-3 | |

6. Number of Desktops:

- | | |
|------------------------------|------------------------------|
| <input type="checkbox"/> 0 | <input type="checkbox"/> 4-5 |
| <input type="checkbox"/> 1 | <input type="checkbox"/> 6+ |
| <input type="checkbox"/> 2-3 | |

7. Does your business have a website?

- | | |
|------------------------------|-----------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|------------------------------|-----------------------------|

III. Internet Connectivity

8. Do you have Internet access at your business location?

- Yes No

If No, Skip To Section IV.

• 9. How do you get to the Internet for business use (Check all that apply)?

- Dial-Up
- DSL
- Cable Modem
- Mobile Phone/PDA
- Satellite
- T-1
- Wi-Fi
- Other

10. Please name your Internet service provider (ISP)? _____

Skip to Section V.

IV. Internet Inaccessibility

11. Reasons for not using the Internet?

- Cost
- Availability
- Lack of need
- Lack of high speed service provider
- Other, please specify _____

12. Do you have plans to acquire access to the Internet?

- No Yes, what type? _____

13. How will you make your Internet access decision?

- Recommendation from a friend
 Recommendation from an IT Professional
 Literature from an Internet service provider
 Other, Please specify _____

If you DO NOT have Internet access, skip to section VI.

V. Internet Usage/Application

14. How would you describe your familiarity with the Internet?

- Unfamiliar
 Novice
 Moderately Familiar
 Expert

15. How would you characterize your daily Internet use?

	Business Owner	Staff/ Employees
0 Hours	<input type="checkbox"/>	<input type="checkbox"/>
1-2 hours	<input type="checkbox"/>	<input type="checkbox"/>
2-5 hours	<input type="checkbox"/>	<input type="checkbox"/>
More than 5 hours	<input type="checkbox"/>	<input type="checkbox"/>

16. Does your business use the Internet for any of the following types of applications?

	Never	Sometimes	Always
Email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information/Research	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Online Banking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaboration/Project Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E-Commerce (Purchasing/Selling Online)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business Calling Using the Internet/ Voice over Internet Protocol (VoIP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ad Purchases	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VI. Barriers to Using Technology

17. I would use broadband (Internet) technology to a greater degree within my business if:

(Check all that apply)

- I had a greater understanding of broadband options available to my business
- The costs of acquiring and maintaining (monthly) technology were reduced
- Internet security concerns were addressed
- Technical Assistance was affordable and easily available
- Other _____

18. My knowledge of technology options would be greatly enhanced if:

(Check all that apply)

- There was support to help me with my technology options
- There were classes available on the latest technology products
- There was a technology glossary
- There was someone to talk to about how technology could improve my business profits
- There was a technology buying guide that fit companies comparable to my size and budget
- Other _____

19. I would use broadband to a greater degree if I understood more about the following:

(Check all that apply)

- Email
- Information/Research
- Online Banking
- Collaboration/Project Management
- E-Commerce (Purchasing/Selling Online)
- Business Calling Using the Internet/Voice over Internet Protocol (VoIP)
- Ad Purchases
- Other _____

VII. Online Business Assistance

20. If online individualized technical assistance were available, would you take advantage of such a service?

- Yes No

VIII. Additional Business Owner Info:

21. Gender:

- Male
- Female
- Co-Owners – 1 Male, 1 Female

22. Age:

- Under 30 Years Old
- 30-50 Years Old
- Above 50 Years Old

23. Race/Ethnicity

- African-American
- Asian/Pacific Islander
- Caucasian
- Hispanic
- Native American
- Other

24. Company Gross Revenues:

- Less Than \$100K
- \$101K - \$249K
- \$250K - \$499K
- \$500K - \$999K
- \$1M – \$2.5M
- Greater Than \$2.5M

25. Industry:

- | | | |
|--|---------------------------------------|--------------------------------------|
| <input type="checkbox"/> Service | <input type="checkbox"/> Retail | <input type="checkbox"/> Wholesale |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Construction | <input type="checkbox"/> Other _____ |

If you would like to receive updates on this project from your Chamber, and information from the California Emerging Technology Fund about its progress closing the Digital Divide and grant opportunities please provide your contact information:

Name: _____

Business Name: _____

Address: _____

City: _____ Zip: _____

Email: _____

Thank you for participating in our survey. The results of this survey will be used to develop more effective services for small businesses centered on broadband.