

## IT Analysis – Are SMBs getting enough?

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There is plenty of 'hubbub' in many countries around whether customers are getting the broadband speeds advertised by their internet service providers (ISPs), highlighted again most recently in the UK with a series of populist news items.

A new code of conduct from the UK's telco and media regulator, Ofcom, aims to stop what many believe is an attempt by the industry to mislead customers.

Now it is fair to wrap the industry's collective knuckles to stop "up to 8MB/s" claims, when many customers are so far from the telephone exchange that the reality is the best they'll achieve is 2MB/s – far better to let the customer know what they can expect. However, just like the UK motorway speed limit allows you to drive 'up to' 70mph, it is not always possible when congested – and connections to the internet are far more congested than any motorway.

First the link from premises to exchange is dependent on the quality of the (generally) copper connection, and the speed it can bear over its length. The upper limit of the 'up to' numbers in the industry typically describe performance over a short high quality hop, rather than each subscriber's experience, which is always going to be lower.

Next the connection capacity may be shared, or contended, with others. For consumers that typically means 50 households sharing 1 line, with some low cost providers pushing that up to 100 to 1, and many small business tariffs offered a slightly better ratio of 20 or 10 to 1.

With averaged, random, traffic in bursts, like emails, browsing and the odd download, that's not going to be too much of an issue, but with more consumers and SMBs using internet telephony/VoIP, streaming music or video, or highly interactive services, the problem will increase dramatically.

There's also the challenge of inequality in the connection speeds up or down. The 'A' in ADSL (Asymmetric Digital Subscriber Line) is important

as it means more bandwidth downstream, for downloading, and only a fraction for uploading.

Sending large emails is much slower than receiving them, but crucially for business users who may be sending large amounts of data up into the network – using the internet for remote backup storage – this is another potentially problematic limitation.

Recent Quocirca research shows that small and medium businesses (SMBs) are increasingly using the internet for more business critical activities – a quarter for voice over IP telephony (VoIP), over a third for network storage, one in six for video conferencing – with more planning to do these activities over the coming year.

Given this, those SMBs that rely on the internet for running parts of their business should be more aware of the limitations of different offerings from service providers. Unfortunately, many of those interviewed were unaware of the true impact of sharing a connection with other users – contention ratio – or the difference in upstream and downstream connection speeds.

While the general public might not be expected to be aware of these nuances, these interview respondents were in the main responsible for the IT and communications investments of their companies, but with so many other things demanding their attention, this has not yet been deemed as being sufficiently important. They are, after all, probably consumer users too, and have been fed the industry marketing messages about raw bandwidth, and been led astray by the 'up to' promise.

With an ever greater dependence on the internet for all manner of activities, SMBs now need to look more closely at the service they are getting, and discriminate between different offers on more than raw advertised speed, taking into account how capacity on offer better matches their usage patterns and needs of the networked applications they plan to use. On top of these technical criteria, they also need to assess reliability, support and service suitability.

ISPs and their services should no longer be measured solely on simple capacity – time to mind the quality, not just feel the (band)width.

For more information and advice on the internet service provision challenges facing SMBs, download Quocirca's free report "[Soaring not Surfing](#)".

## About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with first hand experience of ITC delivery who continuously research and track the industry and its real usage in the markets.

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation's environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca's mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

Quocirca works with global and local providers of ITC products and services to help them deliver on the promise that ITC holds for business. Quocirca's clients include Oracle, Microsoft, IBM, Dell, T-Mobile, Vodafone, EMC, Symantec and Cisco, along with other large and medium sized vendors, service providers and more specialist firms.

Details of Quocirca's work and the services it offers can be found at <http://www.quocirca.com>