A qualitative study was also undertaken by Plymouth University Business School and BT Research, looking at SMEs that have adopted superfast broadband. The study investigated the impacts of the technology and provides in-depth commentary around businesses’ experience of superfast broadband.

In addition, a student from Exeter University Business School carried out research for their dissertation for the One Planet MBA. The aim of this research was to investigate the intentions, experiences and outcomes of Cornish SMEs that have a superfast broadband connection for more than 12 months.

Together the research provides an early indication that Cornwall’s new fibre superfast broadband network is already providing a major economic boost to SMEs.
About the Evaluation

A team led by SERIO and including experts from Plymouth University, in collaboration with Buckman Associates, are working with the Cornwall Development Company (CDC) to provide an independent assessment of the impact of Superfast Broadband. This involves the preparation of a baseline report in 2011, SERIO and Buckman Associates recently completed work on the project’s mid-term evaluation.

As part of the mid-term evaluation, SERIO and Buckman Associates analysed available survey data, including that gathered through a telephone survey of businesses that had been connected to superfast broadband for 12 months or longer. This survey will continue to be undertaken Quarterly as part of the Superfast Cornwall project. At the time of the mid-term survey, 88 businesses who had been connected to superfast broadband for 12 months or longer had been surveyed. The survey sample was drawn from those postcodes where superfast broadband was available to at least 50% of the premises.

Business Survey Findings

Survey respondents were asked to indicate the extent to which they agreed or disagreed with a series of statements. Survey respondents were asked to indicate the extent to which they agreed or disagreed with a series of statements. Where new sales were reported (33), over two thirds (65.6%) of connected businesses attributed at least a proportion of these new sales to superfast broadband. Saving their business time and/or money (34.1% (30) slightly and 68.9% (43) strongly agreed with this statement).

Businesses were asked about the impact that superfast broadband had on their business. The responses were as follows:

- 82.9% (73) indicated that superfast broadband had saved their business time and money (34.1% (30) slightly agreed and 68.9% (43) strongly agreed with this statement).
- 57.9% felt that it had enabled their business to grow (32.9% (29) slightly agreed and 25.0% (22) strongly agreed);
- It allowed 61.4% (54) to work in new and different ways (20.5% (18) slightly agreed and 40.9% (36) strongly agreed with this statement).
- The impact on businesses in terms of the generation of new sales, contracts or customers, and the development of new goods or services was mixed, with similar proportions agreeing and disagreeing with the respective statements.

What does this mean?

Although the sample size is relatively small and made up of those businesses that signed up quickly to superfast broadband (‘early adopters’), a significant proportion of businesses are reporting that superfast broadband has enabled them to reap the benefits of the technology.

In terms of the time frame in which these benefits have been achieved, a third of respondents (33.3%) were over 12 months at this stage of the project, the agency commissioned by CDC to carry out the data collection continues, and therefore it is not possible to determine the extent of the impact at 95% confidence level.

The cited reasons for the jobs gained included:

- Increase in sales and efficiency
- The upgrade has enabled them to access wider markets so therefore need new stuff to keep up with the workload
- We can process more work so therefore need more people

Superfast Cornwall Evaluation: Mid-term Evaluation Key Findings - SERIO (Plymouth University) with Buckman Associates

Superfast Broadband: Mid-term Evaluation Key Findings - SERIO

Superfast Broadband: The Virtuous Circle of Connectivity

Plymouth University Business School and BT Research

This research is the second phase of a two-part qualitative study of Cornwall’s SMEs before and after the introduction of Superfast Broadband (SFFB). The report presents the findings of in-depth research conducted with a sector representative sample of local SMEs from 46 businesses based in Cornwall who had signed up for and used SFFB for between 12 and 18 months. The qualitative nature of the study provides an authentic voice giving texture and granularity to the credibility of a companion quantitative study. Associates of Connected Cornwall (ACC) conducted the mid-term evaluation. Together these works are the first to describe the economic, social and environmental impact of SFFB on the SME community.

- Participants perceived the change from broadband to SFFB as very much in line with ADSL, a real step change that makes SFFB a must have.

- “... it was like the sun had opened up, you know, it was amazing.” Retail
- Access to fast, reliable broadband is fundamental to running a business efficiently, working patterns and business productivity, by effective broadband connectivity and SFFB is delivering a first class product:

  “The connectivity and the reliability of it has been excellent, it’s always there, whenever I need it.” Education and training
- SFFB is serving SMEs well and has become a critical enabler for many, it changes the way businesses operate, increasing agility and productivity in new and novel ways:

  “The exciting thing for me it has made my business model and what I plan to do completely different, I will be able to do things with SFFB and broadband that I wouldn’t have been able to do before because I can communicate with more and more people. Potentially my business could be ten times bigger than it is now, probably more.” Accountancy
- SFFB is driving efficiencies and savings and helping SMEs to achieve their ambition of creating new opportunities for growth:

  “It allows you to do things that you could never count on doing, it all opened up. You asked me what would I do if you asked me what I look at something and think, well perhaps I could do it in a different way, and you find you can do it in a different way because you’re now using SFFB.” Architecture
- The increased potential for business growth that SFFB offers is a strong driver for adoption. Different ways of working made possible with SFFB result in the development of new products and services, business diversification and enhancement, new revenue streams, a broader customer base, greater control and improved connectivity;

  “We have clients from all over the world now, if you’re using the Cloud you need it to be fast or it’s a waste of time, we’re using those services all the time now, there’s no point in waiting around.” Accountancy
- The ability to use Skype is providing SMEs with increased and better collaboration opportunities across a wider field of expertise, a reduced need to travel, and is more time effective.

“...I was born here and I love it and I’m lucky enough to have a business here but from when I was 18, I didn’t know anybody, none of my friends stayed in Cornwall. They all left for they’re careers now they are in the States and the XOs. They sort of all left and now they are coming back with different skills and setting up their own businesses and things like tourism and Broadband...”

- Before SMEs had access to SFFB many reported a shift in working from office to home office, and liberating themselves from the need to be available all the time. SMEs have become far more reliant on fibre connectivity and SFFB is providing SMEs with increased connectivity and SFBB is delivering a first class product:

  “We used to have to wait for the horse to come in and being able to talk to people there and letting people know what’s going on, trying to attract them...you kind of think that Facebook and Twitter are the way forward and Facebook is great for some things but SFBB creates the opportunity for regeneration, attracting a younger population as well as stimulating the return of those who have left in search of better opportunities.”

For most industry I kind of think that Facebook and Twitter is an essential tool nowadays and letting people know what’s going on, trying to attract them... you build a kind of following as well. Tourism and hospitality... continued over
Summary of SME Benefits, continued

• Technological innovation has led to more services and more people owning more devices that all require bandwidth. The ability to connect more people and multiple devices through SFBB without compromising quality of service or speed of operation is a valuable asset to business.

“Increasingly I get clients walking into the office with smart phones and we’ve got an open hub so they can just pick up their emails while they’re sitting in our office. It’s not even a service we thought of offering before, well we couldn’t, but now, well, it’s just there. Clients come in with a laptop and expect to be able to plug it in and bang, there’s the Internet. We couldn’t have done that before, we were struggling ourselves.” Management consultancy

• Cornwall has a growing graduate population, rich in talents that can be beneficial to business and many graduates choose to stay, having completed their degree. Graduates’ ability to find well-paid jobs in the region is influenced by the kind of economic growth fostered by better connectivity:

“My whole life has been, even from when I was at school in Truro, wanting to stay in Cornwall so it’s helped me to stay here, I haven’t had to go elsewhere, my reach is bigger than it was before.” Architecture

We have uncovered a virtuous circle of connectivity through a chain of interdependent benefits that make SFBB a ‘must have,’ not just for the greater productivity and efficiency gains it currently provides but for different and improved ways of working and conducting business. The benefits SFBB affords have become so important to SMEs they have become far more reliant on fibre connectivity than they were on regular broadband. As SME reliance on those benefits grows it increases and reinforces their value, new dependencies are forged and a new set of innovations and benefits emerge that are used to even greater effect.

Summary of an exploratory study on Small to Medium-sized Enterprises’ (SMEs) intentions, experiences, and outcomes of adopting Superfast Broadband in Cornwall

Exeter University Business School – One Planet MBA

The aim of this research was to investigate the intentions, experiences and outcomes of Cornish SMEs that have a superfast broadband (SFBB) connection. The research was carried out by semi-structured interviews with 12 SMEs from a range of sectors that have had a SFBB connection for at least 12 months. The study adds value to the accompanying quantitative study undertaken by SERIO and the qualitative focus group research.

The key findings are:

• Before connecting to SFBB, the majority of the SMEs recognised that there was potential benefit to their business if a faster and more reliable Internet access was available to them compared with their previous ADSL technology based Internet access.

• Three SMEs were influenced by the availability of SFBB in Cornwall in making the decision to relocate their businesses from other counties in the UK.

• Most of the SMEs saw improvements to their operations through a combination of higher productivity, reduced costs and employment creation within Cornwall. Productivity improvements were estimated at between 10-20% based on the SME’s own judgement. The reasons given by the SMEs for their improved productivity included ability to work concurrently, improvement in staff morale, ability to access information remotely, quicker access to and processing of information, ability to make productive use of ‘dead’ time, reduced travel time and better communication.

• Two SMEs believed that SFBB has enabled them to experiment with innovation in anticipation of future customer or market needs changing, for example, by developing web based services. All of the SMEs acknowledged that whilst SFBB contributed to these operational improvements, the outcomes would not have been met unless SFBB was part of a series of other activities, initiatives, and investments undertaken by them.

• Similarly, the vast majority of the SMEs have been able to improve customer relationships through the ability to respond faster, communicate better through more interaction via video conferencing and other means of internet-based collaboration, reach and attract new customers through internet based communication and promotion, and provide new services.

• Some have improved supplier relationships, and whilst collaborating does not feature highly amongst these SMEs, there was a greater awareness and a lower barrier to experiment.

• The SMEs believed if support to exploit SFBB was available from trusted sources and delivered in a suitable format, it would be valued and enable further growth. The type of support expressed as valuable by the SMEs included: provision of information, advice, and consultancy services. The subject matter for this support cited by the SMEs as being valuable was: Internet services, business strategy and planning, and IT.

• The vast majority of the SMEs believed that the adoption of SFBB has brought opportunities to them. Seven of the SMEs cited that new markets were accessed without significant increase in costs. Additionally, two of the SMEs cited that SFBB enabled innovation.

SMEs in Cornwall that have been connected to SFBB for at least 12 months are improving their operations through increased productivity, job creation, reduced costs and the ability to innovate. Several SMEs re-located to Cornwall because of the SFBB infrastructure. The opportunities brought about through the adoption of SFBB included accessing new markets and innovation.

Contributors:

SERIO (Plymouth University) – Adrian Dawson, Lorna Bell
Buckman Associates – Emma Buckman
Plymouth University Business School – Andy Phippen
BT Research – Hazel Lacohée
Exeter University Business School – Jude Anthonisz
Superfast Cornwall – Katherine Stewart

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