Market Research Services Ltd.
"Always Asking Questions, Always Providing Answers"

Survey Report

Evaluation Of Telecommunication Services In Jamaica

Section II – Commercial Consumers

Office of Utilities Regulation (OUR)

September 2006

Contents

Study Objectives

- The primary objective:
  - To provide the OUR with information that will advise the Ministry on the effects and results of the liberalization (of the telecommunications industry) to date on both providers and consumers of telecommunication services including Internet and voice (fixed and mobile).
  - To therefore assess:
    - whether there are any barriers to entry for potential players
    - if the consumers are deriving any benefits from the liberalization and
    - whether any new policies need to be developed to ensure a level playing field for all operators.

Study Methodology

- Market Surveys involving the following study populations were carried out:
  - Residential consumers of telecommunication services
  - Commercial consumers of telecommunication services
  - Providers of telecommunication services.
- This report details the findings of the survey involving commercial consumers.

Commercial Consumers Survey

Method: Business interviews involving a sample of 229 decision makers regarding the business' telecommunications needs were carried out.

Tools: A structured questionnaire developed by Market Research Services Ltd. (MRSL), in collaboration with The OUR was used to conduct the interviews (See Appendix I).

Team: The data was collected by a team of 8 interviewers and 1 supervisor.

Study Methodology

Time Frame:	Fieldwork was carried out during the period of May 22, 2006 to July 17th 2006.
Validation & Quality Assurance:	30% of all completed questionnaires were validated by way of call backs to participants.
Sampling:	A random sample selection process was utilised. The sample was selected from the telephone directory as well as MRSL's database of companies across different industry groups.

The Sample Profile:

	%	N
Industry Group:		
Retail./Distribution	28	64
Professional Servs.	16	37
Financial	12	27
Hospitality	7	17
Hotel & Tourism	6	14
Education	6	14
Health	6	14
Construction	5	12
Manufacturing	4	10
Other	10	20
Size of company:		
Small	77	176
Medium	13	29
Large	11	24

Executive Summary

Fixed & Mobile Phones

- Fixed line telephones are by far more widely owned than mobile phones by businesses. 97% compared to 42% respectively.
- Nearly 50% of organisations have the BLINE technology installed on their telephone system.
- Organisations are equally as likely to own a PBX system as a KEY system. The TDM Key system with no BLINE is most likely to be found in organisations.
- Cable & Wireless Jamaica Ltd. (C&WJ) is almost the sole provider of fixed line telephone service (99%) but loses significant ground to Digicel in mobile telephone – 56% to 77% respectively.
- Organisations are generally satisfied with the service they receive from both their suppliers of fixed line and mobile telephone. Satisfaction levels of 75% and higher were reported for both the fixed and mobile telephone services.

Executive Summary

- While the majority of organisations have never encountered problems with their fixed line telephone bill, most have had to report a fault on their telephone service, at least once. Faults in fixed line telephones typically take in excess of 24 hours to be resolved.

- Past 12 months experience with disruptions in their fixed line telephone service, that is, instances of no dial tone, was fairly common. 55% report having had at least one such experience.

- Fixed line telephone is an essential tool for Jamaican businesses. As a result of this, they do not anticipate terminating their service any time in the near future.

- In terms of mobile telephony, while Digicel is the most typical supplier in organisations, most of the mobile phone accounts owned by organisations are with C&WJ. That is, 76% of organisations do business with Digicel, however 57% of the mobile phone accounts are with C&WJ.

- 42% of organisations rely on more than one supplier for their mobile phone service. Organisations like retail consumers opt for multiple providers as a means of controlling the cost of making calls via this medium. In addition to subscribing to more than one provider

Executive Summary

organisations also subscribe to the pre-paid mobile phone service as another means of cost control. 72% of organisations subscribe to the pre-paid service.

- Subscription to a closed user group is also quite common among businesses. Nearly 50% of businesses that own mobile phone accounts, subscribe to a closed user group.

- So price conscious is the corporate consumer, that the cost of calling represents the most significant driver of brand choice among this group. Not only are they concerned about their cost of calling, they are also concerned about what it cost others to make calls to them.

- Some organisations spend as much as $300,000 per month for their mobile phone service. The average monthly expenditure among organisations is however $10,000.

Executive Summary

Internet

- The majority of organisations have Internet facilities an average of 75% of staff across organisations are allowed to use the Internet in organisations that have the facility.
- DSL technology is the most widely used in these organisations – 87%.
- C&WJ is the most widely used Internet service provider. While 89% of businesses use this supplier, none of the other suppliers used commands more than 3% subscription.
- A relatively high level of satisfaction with Internet Service Provider (ISPs), over 80%, is reported.
- Greater access to the Internet may be anticipated for the future. 45% of organisations sa they expect that more staff members will be using the Internet in the future. An average of 10% more staff is anticipated in this regard.
- An average of $14,000 per month is spent on Internet service across organisations. The Internet is used mainly as a source of information by organisations. 42% also use the Internet for VOIP services. These organisations spend an average of $3,000 per month for their VOIP service.

Executive Summary

International Calling Cards, Lease and Toll Free Lines

- International calling cards are not widely used across organisations. Only 12% use this approach for making international calls. C&WJs calling card is the calling card that these organisations are most likely to use.

- Jamaican organisations are more likely to use lease line rather than toll free line services. The use of these lines is however not a common practice among Jamaican businesses. No more than 25% of organisations use any of these facilities.

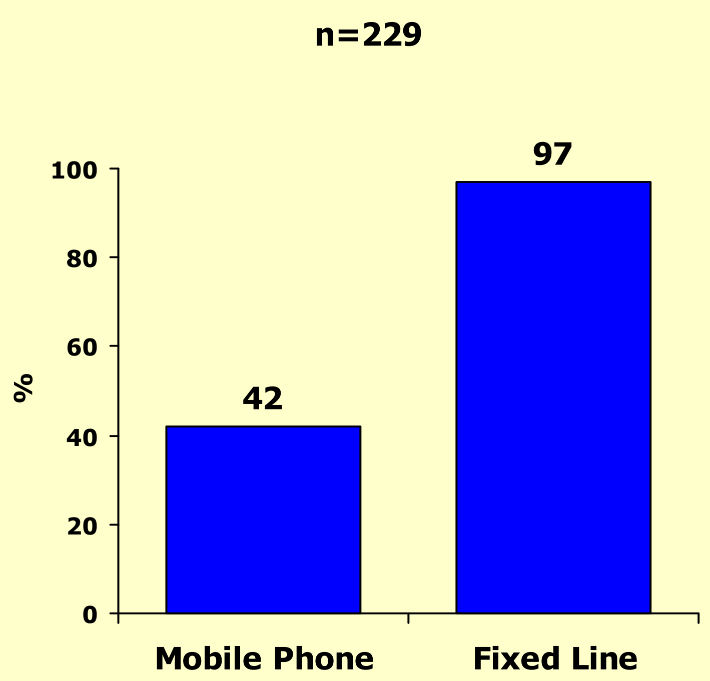
- Local lease line services are more likely to be used than international leased lines and so too is local toll free line more likely to be used than international toll free lines.

- Users of these services are generally satisfied with the service they receive. Where there is any disaffection experienced, this is more likely to be for the toll free rather than the leased line service.

Fixed Line Telephone Market

Mobile versus Fixed Line Telephone

Business consumers, unlike residential consumers are far more likely to own a fixed line service than a mobile service.

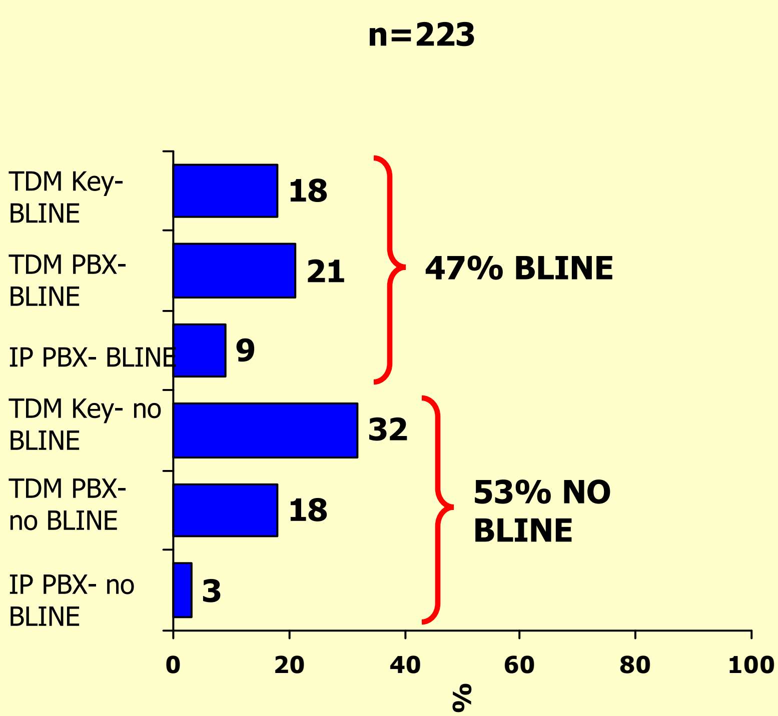


Q1. Which of the following types of telephone service does your organisation has?

- Fixed line telephones are to be found in nearly all Jamaican businesses. There are still 3% of businesses however that do not currently have a fixed line telephones.
- These businesses were small size businesses and typically rely on a mobile phone for telephone communication.
- 42% of businesses report having mobile phones in their organisations.

Types of Fixed Line Products Used In Organisations

Just under 50% of organisations have a BLINE on their telephone system



Q2a. Which of the following landline products does your organisation use?

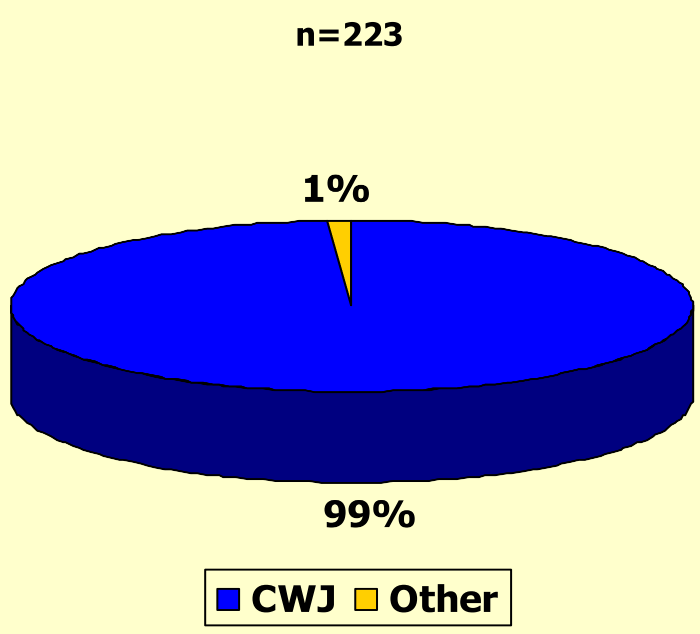
- It is clear from the survey that businesses like retail consumers are seeking to identify means of controlling their expenditure on mobile calls.
- The ratio of businesses with and without a BLINE on the telephone system is almost evenly split. 47% to 53% respectively.
- Ownership of BLINEs crossed all business sizes including small (45%), medium (48%) and large (63%) although large size businesses were more likely to have such a system installed.

BLINE Facility Supplier

- 93% of business with BLINEs obtain their facility from Cable & Wireless (CWJ) and 7% from Digicel. It should be noted that 7% obtain from both entities.

Fixed Line Service Providers

Cable & Wireless is almost the single only supplier used for fixed line service by corporate Jamaica.



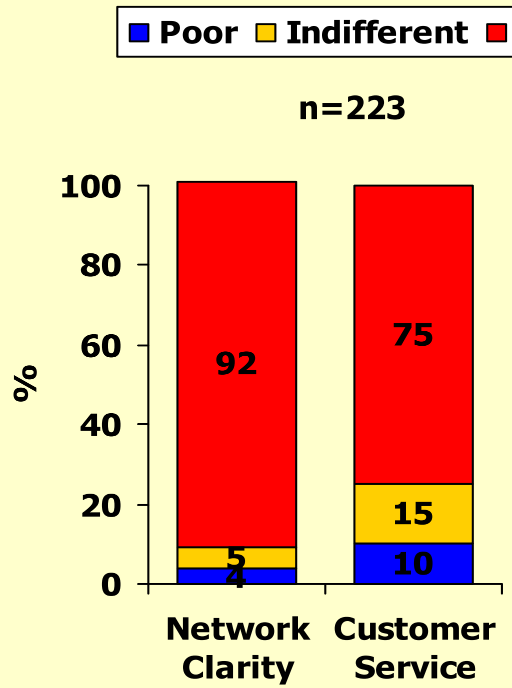
Q3b. Which company of companies does your organisation receive its fixed line service from?

- Just about all companies used currently use CWJ for their fixed line service. Only 1%, at the time of the survey, mentioned using other suppliers.

- Jamaican businesses report having a maximum of 48 different fixed lines and a minimum of one (1) in their organisation. An average of six (6) different fixed lines are to be found across Jamaican organisations.

Rating of Supplier On Network Clarity & Customer Service

CWJ receives high ratings for network clarity and customer service.



Q4. How do you rate your landline telephone service on a) ability to hear your party clearly and b) customer service?

- Corporate Jamaica reports a higher level of satisfaction with the service received from CWJ than do residential consumers.
- 92% of businesses rate the clarity of the network as either being very good or good. It should be recalled that 80% of residential consumers assigned a similar rating to this attribute.
- Similarly, 75% compared to 71% assigned good to very good ratings to CWJ for its customer service.

Typical Wait Time For A Resolution To Faulty Lines & Billing Problems

Jamaican businesses are less likely to encounter billing problems than faults on their telephone. Over 50% typically wait in excess of 24 hrs. for reported problems to be solved.

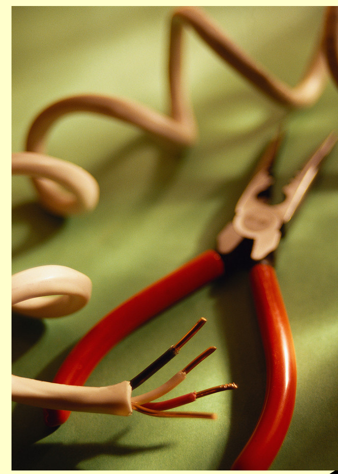
- 15% of businesses interviewed have never had reason to report a fault on their fixed line telephone.

- 52% of businesses that report a fault on their fixed line, typically wait in excess of 24 hours for the problem to be solved:

1 day	**23%**
2 days	**16%**
3 days	**14%**
4 days	**5%**
5 to 10 days	**17%**
Don't know	**9%**
Never reported a fault	**15%**

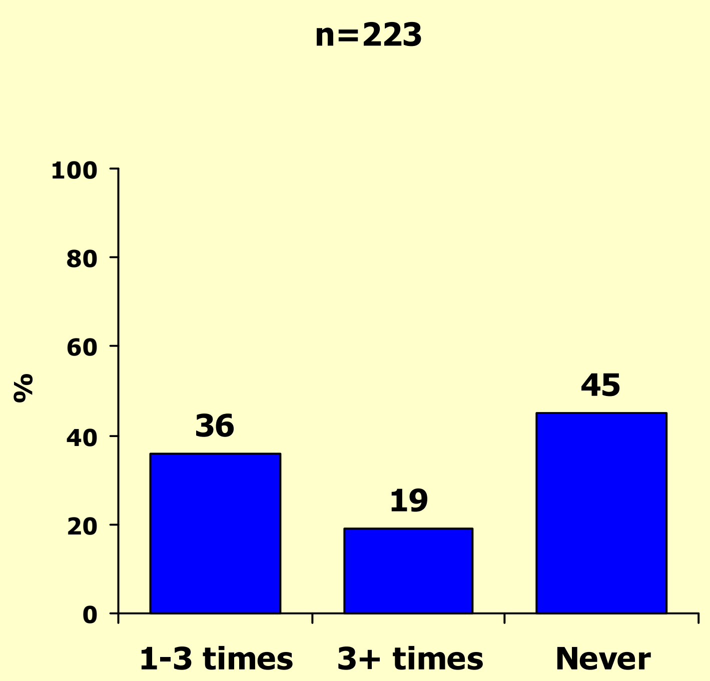
- The vast majority, 66%, have never encountered a problem with their bill. The average time they typically wait to have their problems resolved is 3 days.

Q5/Q6. How many days on average does it take your service provider to solve faults on your telephone?/problems with your bills?



Past 12 months experience with disruptions in telephone service

45% do not recall encountering a disruption in their fixed line service, that is no dial tone, in the past 12 months.



Q7. How often did your organisation encounter disruption in your landline service in the past 12 months?

- More than 50% of businesses have encountered disruptions in their phone service at least once in the past 12 months.
- 45% of businesses interviewed can't recall encountering disruptions to their telephone service in the past 12 months.
- Disruption in this context means no dial tone.
- 36% of businesses recalled having such disruption up to three different times during the past 12 months while a significant 19% reported encountering such problems more than three (3) times.
- Business customers typically wait an average of 2 days for such disruptions to be corrected.

Businesses Remain Committed To Fixed Line Telephony

84% of businesses intend to maintain their fixed line telephone account

- 84% of businesses are **not likely** to terminate their service within the next 12 months.
- 13% are sitting on the fence, while approximately 4% say they will be likely to do so. These entities are not quite sure exactly when they will do so (62%) but 38% say as early as within 3 months time:

Q9. How likely are you to terminate your landline service with the next 12 months time:

Definitely not likely	**68%**
Probably not likely	**16%**
Might or might not	**13%**
Probably likely	**2%**
Definitely likely	**2%**

n=8

0 to 3 months	**38%**
Don't Know	**62%**

Q9/Q10a. How likely are you to terminate your land line service within the next 12 months time?/ How soon are you likely to do so?

Drivers of Commitment To Fixed Line Telephony

Fixed line telephony is essential to the business' operations – it is the main medium of maintaining contact with business partners.

- 40% of businesses intend to retain their fixed line service because it is an essential tool for their business operations. This is the principal means through which they keep in touch with suppliers and customers.

- Another 34% say they will keep their landline service because there is no alternate supplier at this time.

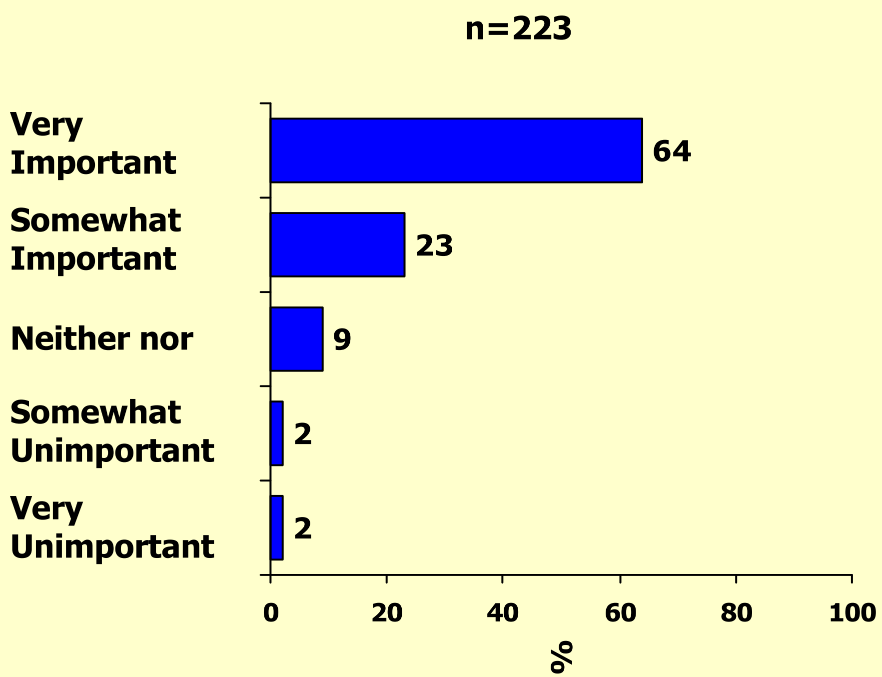
- A number of other reasons were also presented for their intention to maintain their fixed line service. These include:

No problems with existing service	13%
Good service from current supplier	9%
Customers already know existing number	8%
Supplier offers a variety of services	2%
Benefit from Yellow Page listing	1%
Bounded by a contract	1%
It is better to use, stands up in natural disasters	1%

Q12. Why will your organisation not terminate your landline phone service?

Role of Price In Fixed Line To Mobile Calls

Price is VERY IMPORTANT in decisions about whether to make a mobile call from a fixed line telephone.



Q13. How important is the cost of calling a mobile phone from your landline when deciding whether or how often to make a mobile call?

- Price has a very important role to play in decisions about using a fixed line to make a mobile phone among businesses.
- 64% of fixed line customers say that price has a very important role to play in this regard. 23% say price is somewhat important for a total of 87% who consider the price when deciding whether to call a mobile phone from their landline.
- While 9% says the price is neither important nor unimportant to them, 4% say that it is not important.

Per Minute versus Per Second Billing

Per second billing is by far the more preferred billing approach among Jamaican businesses.

- The vast majority of businesses agree that per second billing is a better solution than per-minute billing – 79%.
- The main reason for their conviction is cost benefit – 69% of those who prefer per-second billing are convinced that this is a more equitable option as the consumer only pays for what is used. 33% are also convinced that per second billing would work out less expensive for the consumer.
- 20% of businesses are convinced that per-minute billing is a better solution. The main reason for their choice is cost – 66% say that it would cost the consumer less with this billing method. 18% are of the view that such a billing would make it easier for the consumer to calculate the cost of a call while other reasons presented were:
  - **"you pay only for what you use" 7%**
  - **"more time to talk" 7%**

Q14/Q15 Some persons believe that per second billing is better others believe that per minute billing is better, which view is closer to yours? Why do you say so?

Importance Of Keeping The Same Number If Supplier Changed

The ability to keep an existing fixed line number while crossing networks is IMPORTANT to fixed line customers.

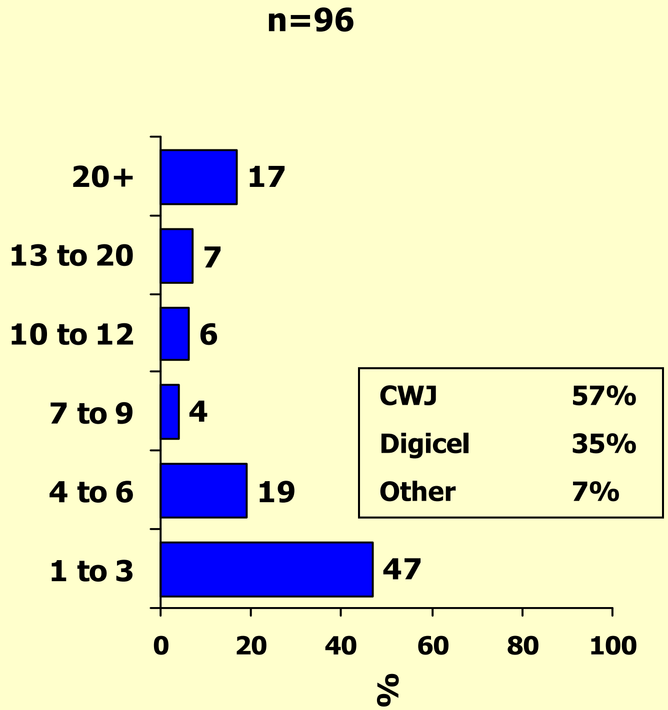
- The large majority of fixed line customers would like the option to keep their existing telephone number if they were to decide to change suppliers – **83%**.
- 16% of business customers say this would not be essential. The remaining 1% would not want to keep their existing number.
- While this is important to them, the majority of businesses that would want to keep their existing numbers, would not be prepared to pay for this "benefit". 57% of these entities indicated so. 21% were not so sure what they would be prepared to pay, but appear to be willing to pay something for the benefit.
- Among businesses that were more decided about the price they would be prepared to pay for the benefit, the prices mentioned range from \$100 to \$20,000 with an average price of \$1,000.

Q21. If you were to change your service provider, would you want to keep your existing number, change existing number or it would not matter?

Mobile Telephone Market

Number of Mobile Phone Accounts in Organisations

66% of organisations own between one (1) and six (6) mobile phone accounts.



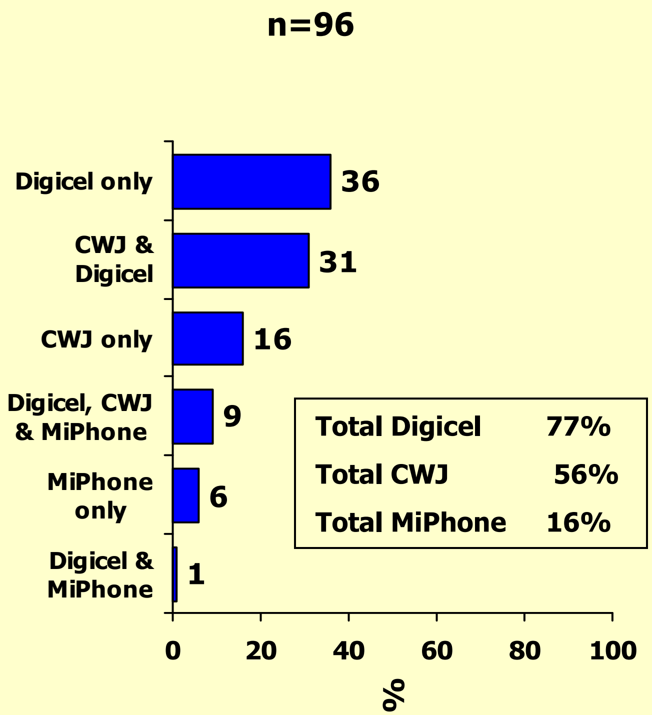
Q24/Q25. How many mobile phone accounts are owned by this organisation? How many of these are with....?

- Jamaican businesses are likely to own an average of four (4) mobile phone accounts.
- Just less than 50% of businesses are likely to own 1 to 3 mobile phone accounts, while 19% are likely to own 4 to 6 accounts.
- 57% of reported mobile phone accounts in organisations are currently with CWJ. Digicel accounts for 35% and the remaining 7% by MiPhone.

NB: An account represents a mobile phone that has an assigned telephone number.

Single versus Multiple Suppliers

58% of corporate mobile customers use only one service providers.



Total Digicel	77%
Total CWJ	56%
Total MiPhone	16%

Q28. Which mobile cellular service provider do you use?

- 58% of businesses that own one or more mobile phone accounts use only one service provider and this is most likely to be Digicel (36%). This is to be compared to 16% who use only Cable & Wireless (CWJ) and 6% who use MiPhone only.
- It is interesting to note that companies with the largest number of phone accounts tend to use CWJ while those with fewer accounts tend to use Digicel.
- Although 20% more companies use Digicel than CWJ, CWJ has 22% more corporate mobile phone accounts than Digicel.

Reasons For Using A Single Supplier

RATES & QUALITY OF SERVICE drive usage of only one mobile phone supplier.

- 35% of businesses that rely on the services of only one supplier do so because of the **rates**. The **quality of service** provided by their sole supplier is also considered to be the best available and this is the reason presented by 16% of organisations that use only one supplier.

- Other factors that encourage use of only one supplier are:

They provide customised package that suits our company's needs	**13%**
Tradition/loyalty to the company	**16%**
Most people we deal with subscribe to this provider	**11%**
Satisfied with the service received	**7%**
The first to offer the service	**4%**
No need to use more than one providers	**4%**

Q26. Why does your organisation use only one provider?

Reasons For Using A Multiple Suppliers

COST OF CALLING ACROSS NETWORKS drives usage of multiple suppliers.

- The cost to call across networks, is almost the only reason why organisations use more than one provider – **"it is cheaper to call within networks"** – 82%.

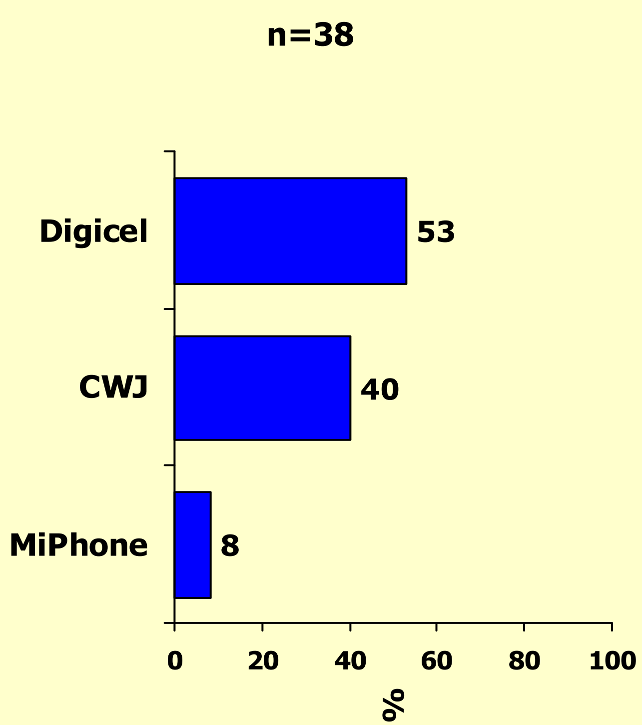
- Other factors that encourage use of multiple providers are:

  - **Logistics/account management "one provider used by management the other by staff"** **5%**
  - **Insurance – in the event one is out of service** **3%**
  - **Other reasons** **10%**

Q26. Why does your organisation use more than one provider?

Main Supplier Among Multiple Brand Users

Digicel is the main provider of mobile telephone service to businesses that use more than one supplier.



Q28/Q29a. Which of the providers your organisation uses would you say is your main provider?/ Why is this so?

- 53% of businesses that use the services of more than one mobile company, identify Digicel as their main provider.
- A significant 40% also identify with CWJ while MiPhone was not to be unnoticed mentioned by 8% of these businesses.
- Where Digicel is the main provider, this is driven primarily by its relative popularity among the organisation's customers.
- In the case of CWJ users however, these entities identify mainly with CWJ primarily because they introduced the technology to the island. There is a fair amount of confidence in and loyalty to them as a result.

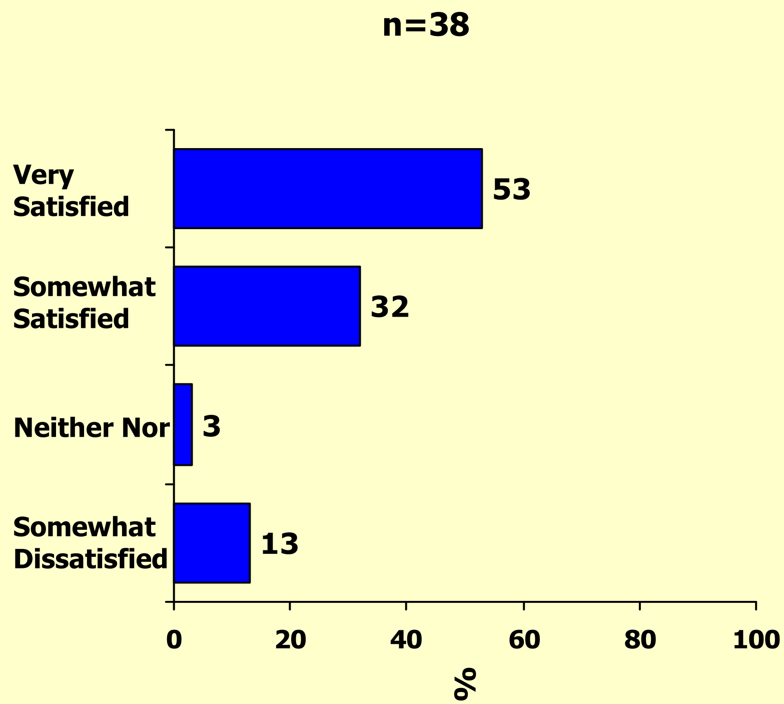
Main Supplier Among Multiple Brand Users

FACTORS THAT DRIVE BRAND RELEVANCE AMONG MULTIPLE BRAND USERS

	C&W n=15 %	Digicel n=20 %	MiPhone n=3 %	Total n=38 %
More popular amongst clients	7	70	-	40
Rates are lower	20	15	67	21
Provide good service	27	20	-	21
First company to offer service	33	-	-	13
Tradition	13	-	-	5
Offers user group plans	-	-	33	3
Faster service	-	5	-	3
Optional payment plans	7	-	-	3

Satisfaction with Main Provider

Over 80% of businesses are satisfied with the service they receive from their main provider of mobile telephone service.



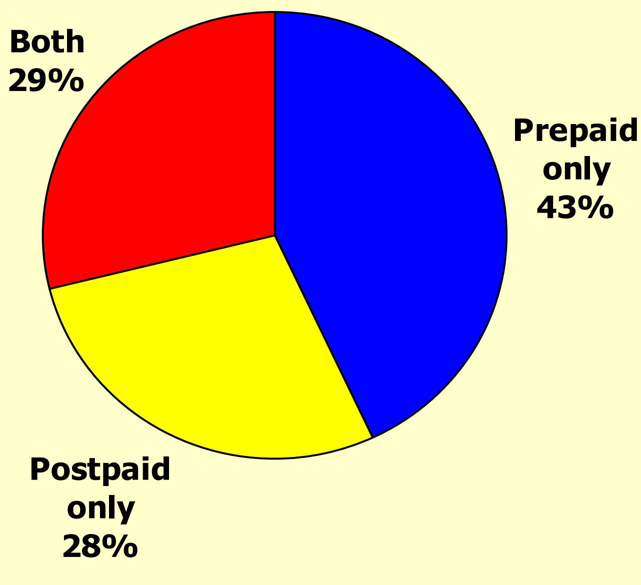
Q29b. How satisfied are you with your main provider?

- Jamaican businesses report high levels of satisfaction with their main mobile service provider.
- 53% say they are very satisfied with the service received and 32% say they are somewhat satisfied with a total satisfaction level of 85% reported among providers all together.
- MiPhone customers were more likely to report higher levels of satisfaction with their provider, although it is important to note that the sample size of such customers was very small.
- More specifically, very satisfied ratings were given by 67% of MiPhone customers, 55% of Digicel's customers and 47% of CWJ customers.

Prepaid versus Postpaid Service

Jamaican businesses are more likely to subscribe to the pre-paid mobile service than the post-paid service.

n=96



Q30. Are the accounts that are owned by this organisation on a prepaid service or a post-paid service?

- 43% of organisations subscribe to the pre-paid mobile phone service compared to 28% that subscribe to the post paid service.
- A significant 29% subscribe to both pre-paid and post-paid for a total incidence of 72% with pre-paid service and 57% with post-paid service.
- Several advantages are associated with the pre-paid service. The main advantage that has distinguished this service option in organisations is the ability to monitor call consumption and therefore cost. 45% of organisations with this service identified this as their reason for subscribing to this service.

Prepaid versus Postpaid Service

- Other important factors that have led organisations to choose the pre-paid service are:

Cost (less expensive)	38%
Better alternative for staff use	13%
It was part of a package deal	4%
Other reasons	4%

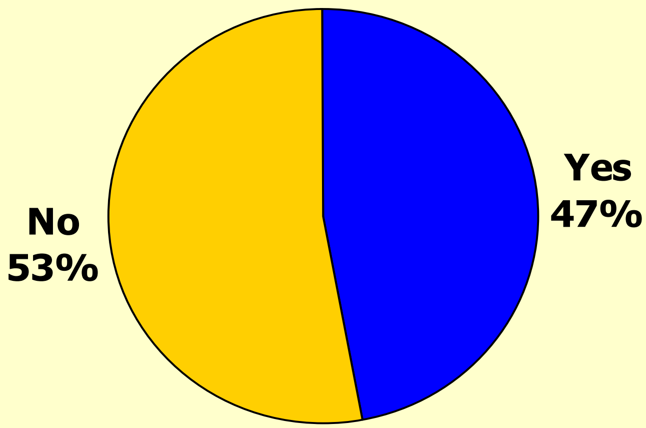
- The post-paid service on the other hand provides both emotional and functional benefits. The main reason for choosing this service is that it provides greater convenience as it allows one to make calls at any time (36%). Other advantages associated with the use of the post-paid service are:

More suited for Managers	30%
Less expensive	15%
Phone cards are bothersome	13%
Other reasons	6%

Incidence of Subscription To A Closed User Group

Nearly 50% of businesses with mobile phone accounts, subscribe to a closed user group.

n=96

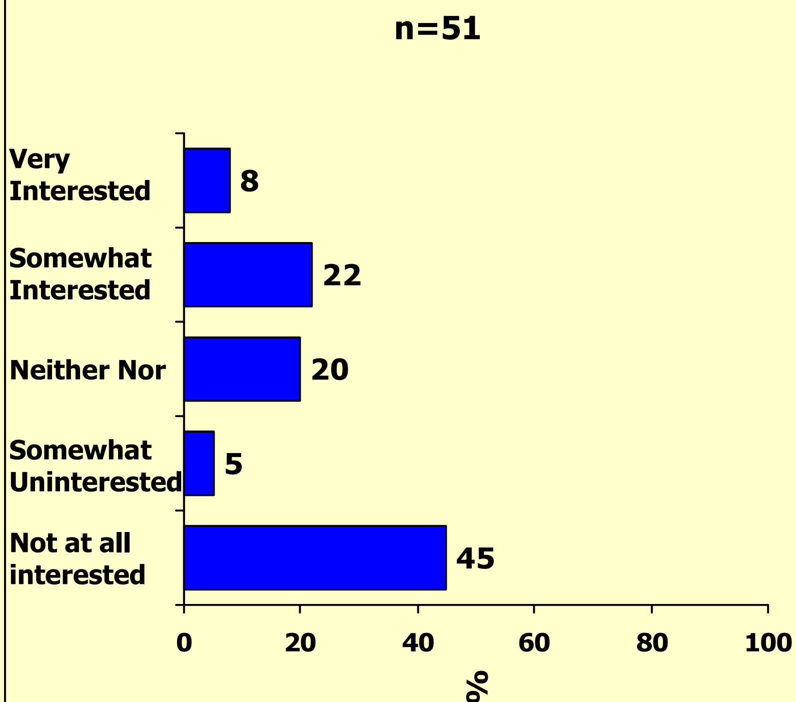


Q33. Do you subscribe to a closed user group service?

- 47% of organisations that own mobile phone accounts subscribe to a closed user group while 53% do not.
- Closed user group services are by far more relevant to businesses than households. It should be recalled that only 3% or retail consumers subscribe to a closed user group.
- Subscription to a closed user group is driven by almost only one factor – **LOWER RATES** – compared to other options. 87% of organisations that subscribe to this service identified this advantage as their predominant reason for subscribing.
- Other factors that encouraged subscription are "it is more efficient" (11%) and "the incentives/free credits" (2%).

Interest In Subscribing To A Closed User Group

50% of organisations that do not currently subscribe to a closed user group could be encouraged to subscribe.

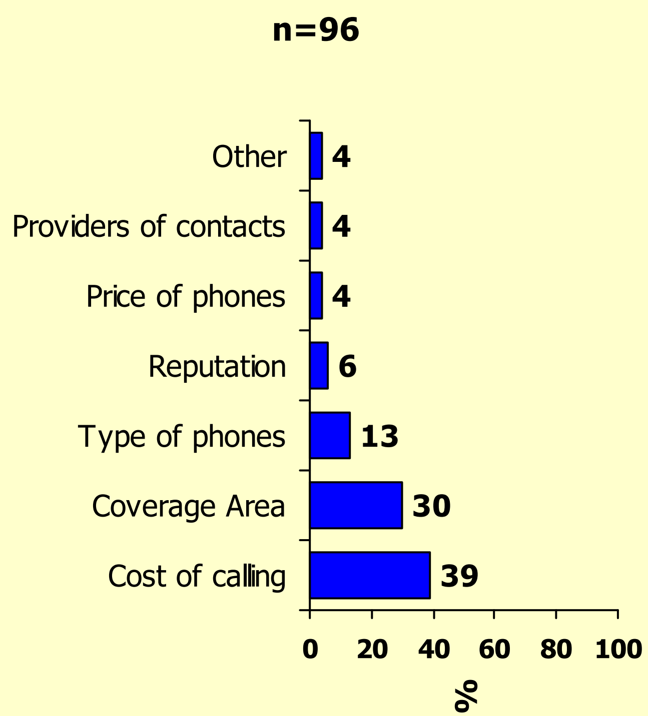


Q35. How interested would your organisation be in subscribing to a closed user group?

- 50% of organisations that do not subscribe to a closed user group are not interested in doing so.
- There is however still an opportunity for mobile phone providers to grow the closed user group component of their business among organisations. 30% of organisations are interested in subscribing to a closed user group service and 20% remain undecided.
- Small size organisations employing less than 50 employees, are more likely to be interested in such a service than larger size organisations.

Most Important Driver When Choosing A Mobile Phone Provider

COST OF MAKING A CALL – the most important decision criteria!!



Q36. What is the main thing that you look for when thinking of subscribing to a mobile phone provider?

- The mobile phone provider who is able to offer the best price to make a call through their network, is likely to be the winning choice among corporate mobile phone subscribers.
- 39% say this is the single most important factor considered when deciding which mobile phone provider to subscribe to.
- Of second and significant importance is the coverage area – 30%. Other important attributes of the mobile phone provider are:
  - **Type of phones sold**
  - **Reputation of the company**
  - **Price of phones sold**
  - **Providers used by the organisation's contacts**

Problems Most Encountered with Mobile Phone Service

Inadequate coverage/reception is the #1 problem!!

- 65% of organisations experience no problems with their mobile phone service.
- Among the remaining 35% that do, poor reception/coverage is the main problem encountered. 25% indicated so. Dropped calls (16%), no signal (5%) and difficulty adding credit (3%) are the other problems experienced.

Q37a. What is the main problem that you experience with your mobile phone service?

Problems Most Encountered by Service Provider Used

•Digicel customers are less likely to encounter problems than customers of the other two major providers of mobile telephone.

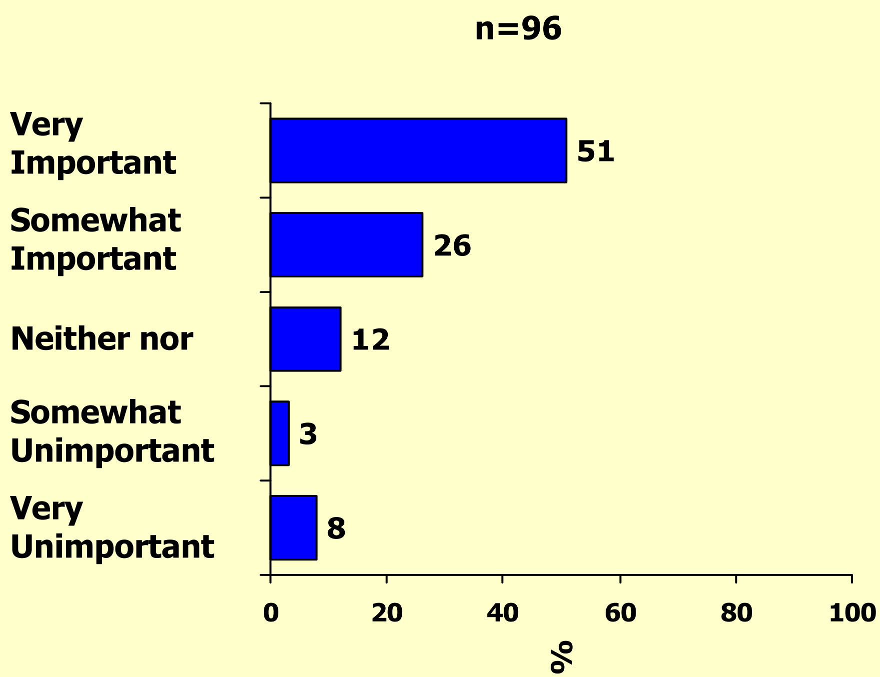
•Poor reception/coverage is the main problem encountered by customers of all providers. Customers of MiPhone were however more likely than customers of C&W and Digicel to report this as a problem.

•Customers of MiPhone are also more likely to encounter problems with dropped calls than customers of CWJ and Digicel, who are equally likely to have such experiences.

	C&W n=52 %	Digicel n=75 %	MiPhone n=16 %
No problems	50	67	50
Poor reception/Coverage	29	23	50
Dropped Calls	17	17	25
No signal	8	5	-
Difficulty adding credit	4	3	-

Importance of The Cost To Others To Call

Organisations are concerned about what it cost others to call their mobile phones.



Q38. How important is the cost to others to call your cellular telephone?

- The majority of organisations, 77%, consider the cost of others to call their mobile phone important. In fact, 51% say this is very important to them, the largest single response to the question.
- Only 11% do not feel this way. 8% say this is very unimportant to them and 3% say this is somewhat unimportant.

Monthly Expenditure for Mobile Service

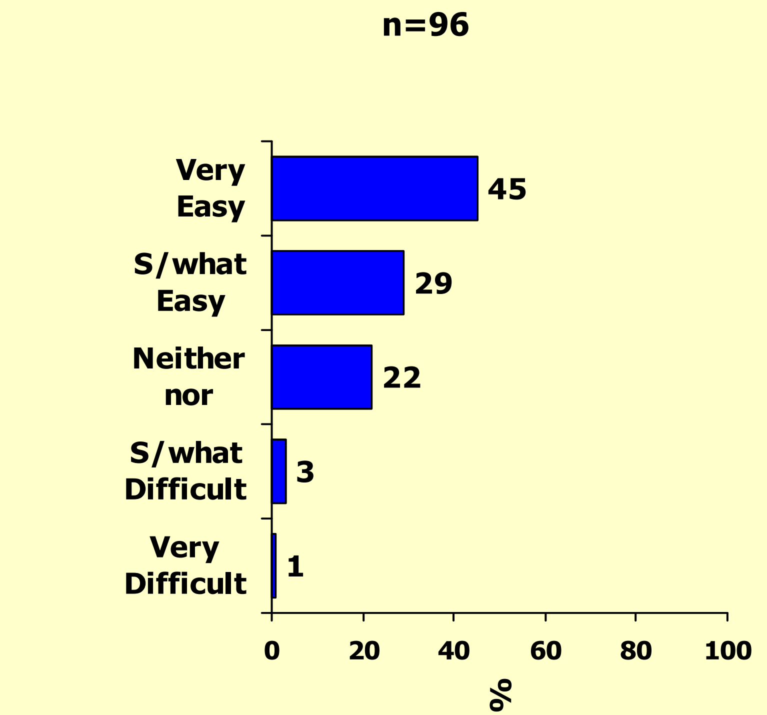
Organisations spend as much as $300,000 per month for their mobile phone service.

- Organisations spend between $1000 and $300,000 per month on mobile phone service.
- This translates to an average of approximately $10,000 per month.

Q40. How much on average do you spend per month on your mobile service?

Ease of Obtaining Information on Rates

Organisations experience little to no difficulty obtaining information on rates for mobile services.



Q41. How easy or difficult is it for you to obtain information on rate for mobile phone services?

- Only 4% of organisation experience some difficulty obtaining information on rates for mobile services.
- The vast majority, 74%, say it is either very easy or somewhat easy for them to obtain such information.
- 22% were ambivalent on the matter, saying that it is neither difficult nor easy to obtain such information.

Importance Of Keeping The Same Number If Supplier Changed

The majority of organisations would like the option to keep their existing mobile number should they change network.

- 63% of organisations say they would like the option to keep their existing mobile number should they decide to change their supplier.
- The majority of these entities would not expect to pay for this benefit. 65% of them say that they would expect this to be free of charge. Among those organisations that would be prepared to pay for this benefit, $2,000 is the maximum they would be prepare to pay.
- A significant 32% of organisations say it would not matter to them whether their numbers change or not while the remaining 5% would rather have their existing number changed, should they decide to cross networks.

Q42. If you were to change your service provider, would you want to keep your existing number, change existing number or it would not matter?

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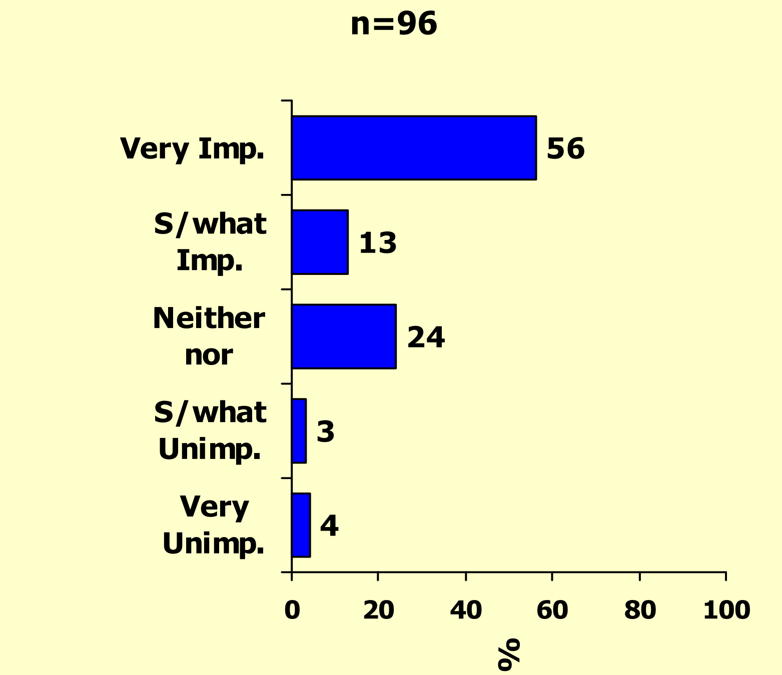
Importance Of Knowing Which Network A Number Belongs To

Organisations want information around which network a particular telephone number belongs to.



Q43Q46. How important is it to you to know which network a telephone number is associated? To the best of your knowledge which network does a telephone number beginning with belongs to?

- Organisations like retail mobile phone consumers consider information about which network a particular telephone number is associated important – 69%.
- The cost to call across networks is the most significant in driving this high level of importance – 85%.
- Consequently, 42% of mobile phone users are able to correctly match at least one (1) telephone number with a network.
- Mobile phone users are readily more able to identify a Digicel number than a C&W or a MiPhone.

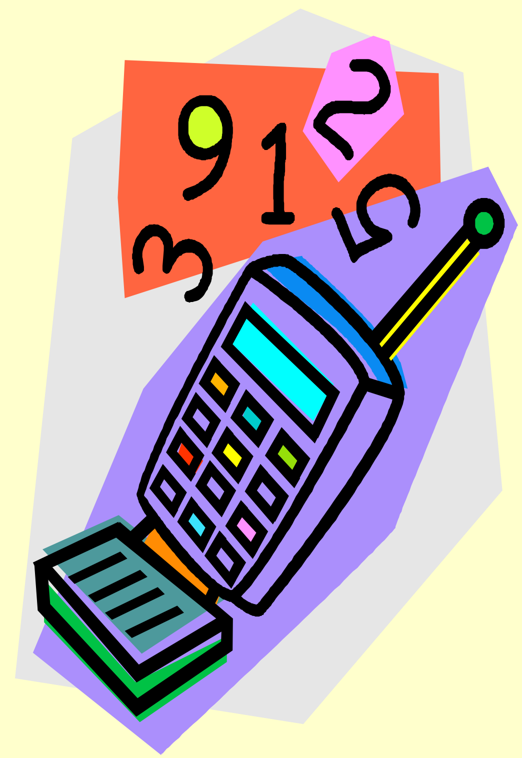
Source of Information About Number-to-Network Relationship

The telephone directory is the main source of information about which network a telephone number belongs to.

- Organisations are most likely to depend on the telephone directory for information about which network a particular telephone number belongs – 45%.
- A significant, 33%, also rely on the service provider as well as friends/family (18%). The OUR is not among the entities considered for such information.

Source of information

The telephone directory	45%
The service provider	33%
Friends/family	18%
None	6%

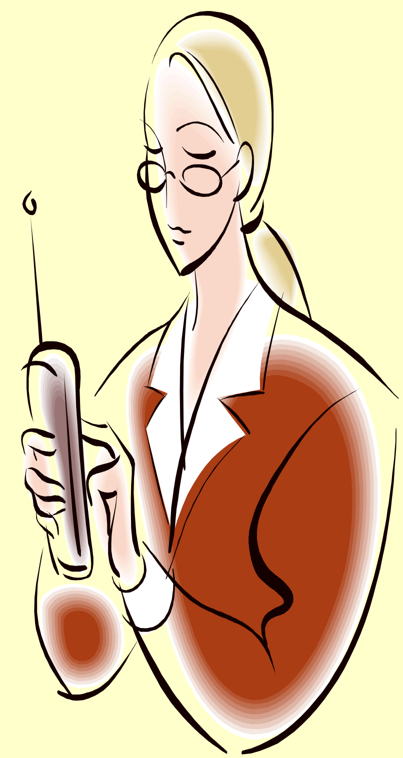


Q47. If you wanted to find out which numbers belong to which network, where would you go to get such information?

Types of Calls Mobile Phones Used To Make

Organisations are most likely to make mobile calls using the mobile phone.

- The mobile phone is widely used to place a range of different types of calls.
- Mobile calls are however the most likely types of calls to be made using the mobile phone by organisation. 98% of organisations use the mobile phone to make such types of calls.
- A significant 63% also use the mobile phone to make calls to fixed lines while 56% use it to make international calls.
- Nearly half (46%) of the organisations that use the mobile phone to make international calls are making more of these types of calls now compared to three (3) years ago. The prinicipal reason for this is the increase in connections overseas (56%). 24% of organisations who are making more calls also explained that this is due to a fall in the cost of placing international calls.
- A significant 39% however, say they are making less of such calls. 9% are making about the same number of these calls while the remaining 6% could not readily say.



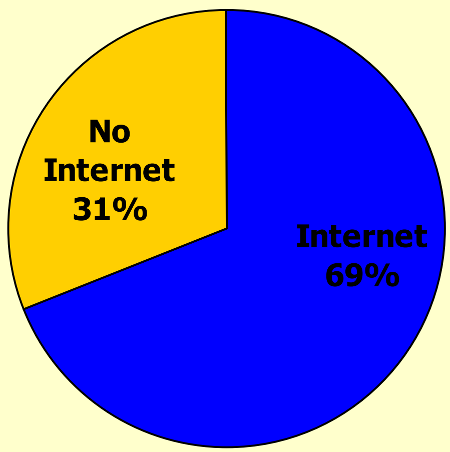
Q45. Which of the following types of calls do you use your mobile phone to make?

Internet Services

Availability of Internet In Organisations

The majority of organisations have Internet capabilities

n=229



Q48/Q49. Does your organisation currently have Internet? What percentage of your staff members, if any has access to the Internet here at work?

- Nearly 70% of organisations have Internet capabilities.
- Only 9% of organisations with Internet do not allow staff members to access the Internet while 91% do.
- 37% of organisations with Internet capabilities (70%) allow all (100%) members of their staff access to the Internet and 63% allow access by only some members of staff.
- An average of 75% of staff members in organisations with Internet are given access to the Internet.

Availability of Internet In Organisations

- This translates to a broad estimate of approximately 509,618 persons who have access to the Internet at work, based on the employed population figures:

  - Population of employed persons 1,190,000
  - Population of employed persons in the industries surveyed – 970,700
  (Source: Jamaica Employer's Federation)

Explanation of how estimate was derived:

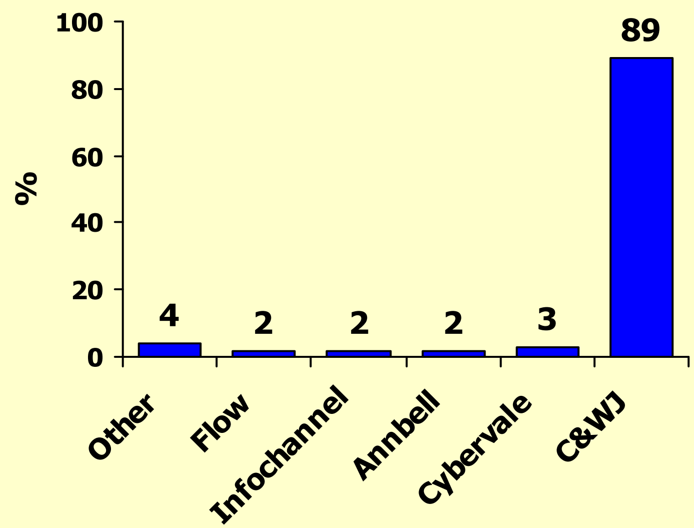
- 70% of 970,700 = 679,490 persons employed in organisations (in the industries surveyed) that have Internet.
- 75% of 679,490 = 509,618 persons with access to the Internet where they work.

Q48/Q49. Does your organisation currently have Internet? What percentage of your staff members, if any has access to the Internet here at work?

Internet Service Provider Used

Nearly all organisations use Cable & Wireless for the Internet Service

n=159

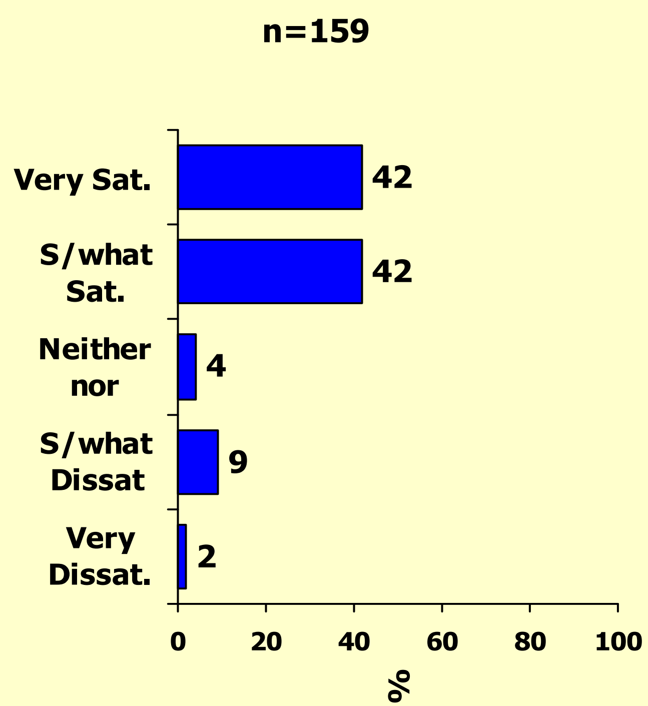


Q56/Q57a. Which Internet service provider does your organisation use? Why?

- Cable & Wireless is the most dominant player in the Internet service business. 89% of all organisations interviewed currently use this ISP.
- C&WJ is chosen over other providers primarily because it was the most readily available – 26%. Other main drivers of choice of C&WJ are:
  - Traditional brand 22%
  - Affordable rates 17%
  - Good reputation 17%
  - Reliable 5%
  - Convenient 4%

Satisfaction With ISPs

The vast majority are satisfied with the service they receive from their ISPs

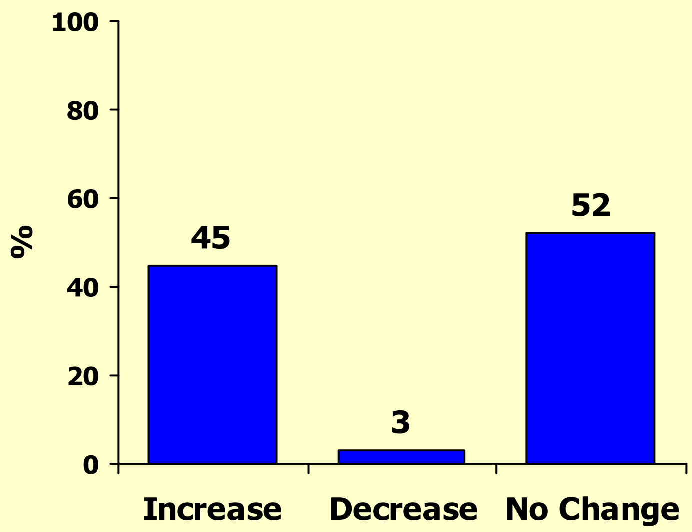


Q57b. How satisfied are you with your ISP?

- A high level of satisfaction with ISPs used is reported across organisations.
- 84% of entities report being either very satisfied of somewhat satisfied with the ISP that they use.
- It should be recalled that the vast majority, 89% use C&WJ.
- All organisations that use Infochannel and Annbell, reported being very satisfied with these entities. It should be borne in mind however that only 2% (n=3) companies used these ISPs respectively.

The Future of Internet Consumption In Organisations

More employees will gain access to the Internet at the work place.



Q52. Do you anticipate an increase, decrease or no change in the number of staff who will need to use the Internet in your organisation?

- Most organisations, 52% do not anticipate any change in the number of persons who will use the Internet in their organisation.
- 45% of organisations anticipate an increase in the number of staff members who will need to use the Internet while only 3% anticipate a decrease.
- Just about all these organisations, 96% expect to realise this in the short term, that is, within the next 3 years time.
- Organisations that anticipate an increase in the total number of staff who will use the Internet, estimate an average increase of approximately 10%.

The Future of Internet Consumption In Organisations

- Among the organisations that expect that fewer members of staff will use in the Internet in the future, they anticipate a reduction of approximately 36% of staff members.

Q57. What is the main problem that you experience with your Internet service?

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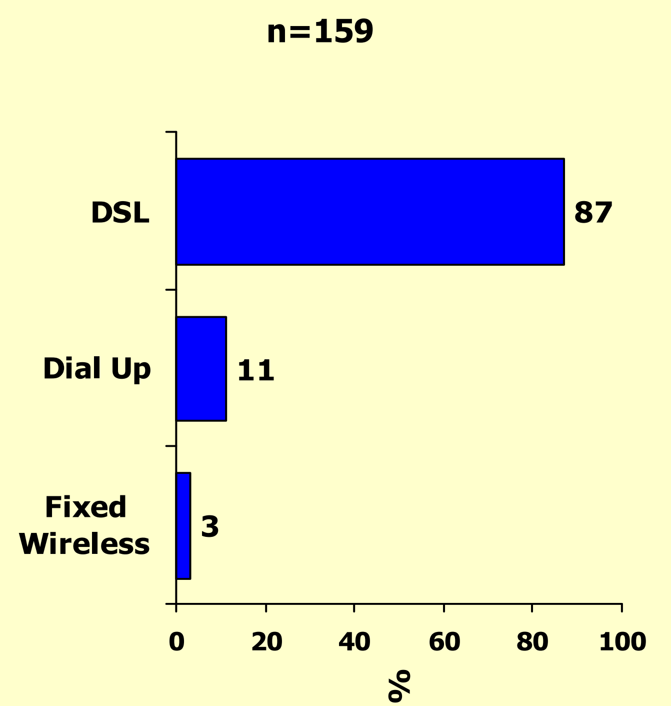
Type of Internet Service In Organisations

DSL is by far the most widely used type of Internet service across organisations!!



Q58. Which of the following types of Internet service does your organisation use?

- The vast majority of organisations with Internet currently use the DSL technology – 87%.
- 11% rely on dial up while only 3% use fixed wireless.
- Speed is the main driver of choice of Internet technology used by organisations - 69%. Other key factors influencing choice are:
  - Price 11%
  - Suited for a business 11%
  - Package Deal 4%
  - Reliability 3%
  - Availability 3%

Problems Most Encountered with Internet Service

Most Internet users experience no problems with their Internet Service.

- Asked to indicate the main problems they experience with their Internet Service, 63% of entities indicated having no problems. It should be recalled that 87% of organisations with Internet service use the DSL service.

- Where problems were reported however, this was more likely to be in the area of down time – 18% say they experience crashing and down time with their service. Access speed is another likely problem, mentioned by 15% of of organisations.

- The remaining 4% of organisations highlighted other problems such as bad connection (3%) and high price (1%).

Q57. What is the main problem that you experience with your Internet service?

Monthly Expenditure On Internet Service

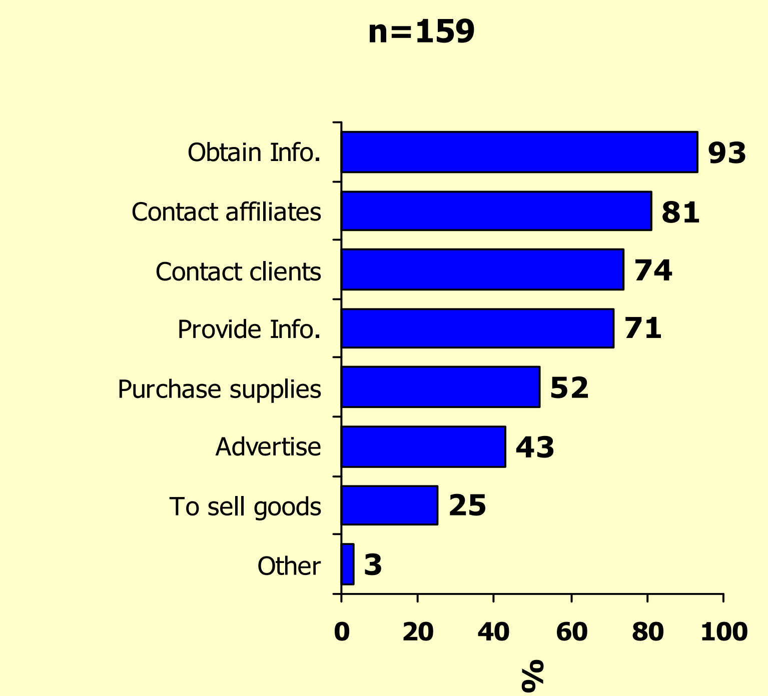
Some organisations spend up to $300,000 monthly on Internet services.

- Organisations spend between $1,000 and $300,000 per month for their Internet service.
- The average monthly expenditure on Internet is $14,556.

Q40. How much on average do you spend per month on your mobile service?

Purposes For Which The Internet Is Used

The primary purpose of the Internet in the organisation is a source of information.

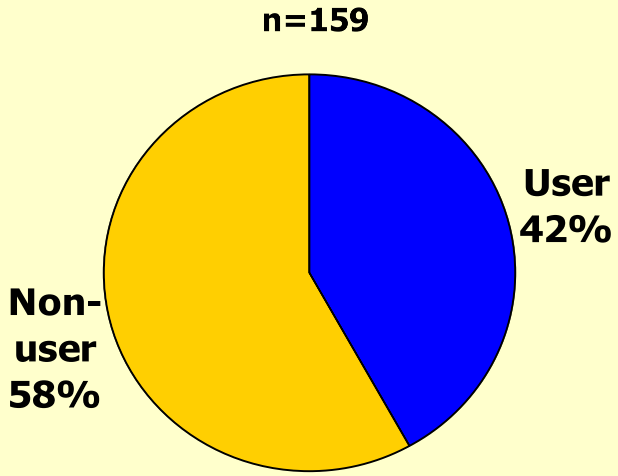


Q55. What are the different purposes for which your organisation currently uses the Internet?

- Nearly all organisations use the Internet as a source of information – 93%.
- The Internet is also widely used as a means to make contact with business partners (81%), make contact with clients (74%) and provide information about the company (71%).
- Other key purposes for which the Internet is also used in organisations are:
  - **To purchase supplies 52%**
  - **To advertise goods 43%**
  - **To sell goods 25%**

Use Of & Satisfaction With VOIPs

42% of organisations use VOIPs!!! C&WJs Netspeak is the most widely used.



Q63/Q64. Which of the following Internet phone service providers does your organisation currently uses? How satisfied are you with the quality of service that you receive?

- Most organisations do not use the VOIP services BUT a significant 42% do.
- C&WJs Netspeak is the most widely used VOIP. 62% of users of the service use Netspeak.
- Other VOIPs mainly used in organisations are:
  - Skype 10%
  - Net II Phone 10%
  - Vonnage 2%
  - Others 16%
- 84% of VOIP users are satisfied with their service provider. Only 2% reported being dissatisfied while the remaining 15% are indifferent.

Average Monthly Expenditure On VOIPs

Organisations spend between JA$1,300 and JA$40,000 per month on their VOIP service. The average monthly expenditure on VOIP services is approximately $6,000.

	Netspeak n=52 JA$	Skype n=75 JA$	Net II Phone n=16 JA$	Total VOIP Users n=26 JA$
Average monthly price	2,200	2,000	2,500	3,000

Barriers To Internet Subscription

- Nearly one third (31%) of organisations with no Internet identify a **lack of interest** is such as a facility as the main reason why they do not subscribe. If given a good reason to subscribe to the Internet these organisations could be convinced to do so.

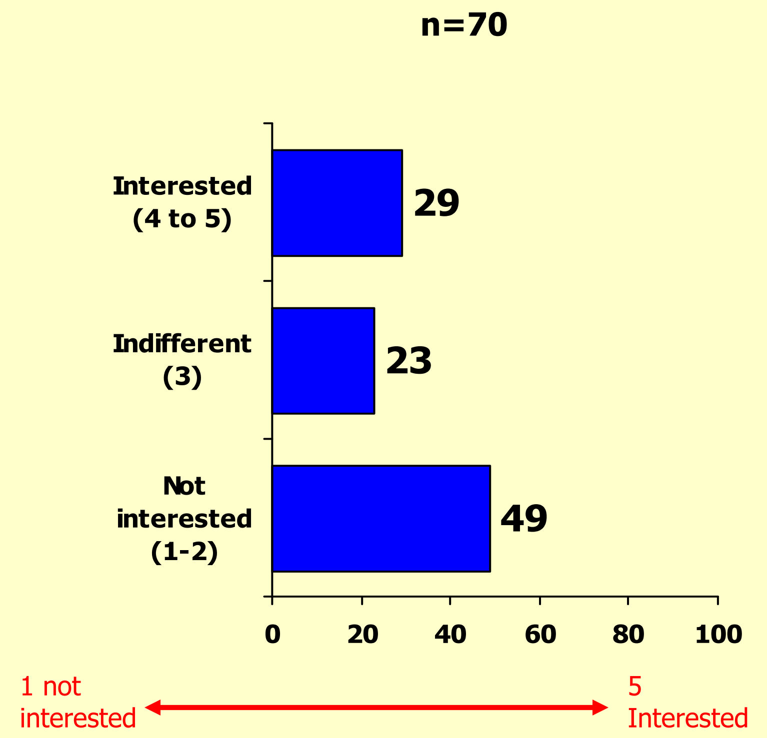
- **Cost of the service**, represents another major barrier to ownership of Internet in Jamaican organisations. 23% of entities highlighted this as their reason for not currently owning the service. 11% are not convinced that there is a **need for it** in their organisation and so have not pursued acquiring the service. Another 10% do not own the service as there is **no computer** within the organisation.

- 7% are in the process of aquiring the service, while a similar 7% rely on the Internet at home. 3% of organisations are still weighing the possibility of acquiring the service in their mind while 1% equally have not found the time to look about it and are concerned that their employees might abuse it. The remainng 6% either had no special reason for not owning the service or do not have the service available in their area.

Q67. Why don't you have Internet in this organisation?

Degree of Interest In Obtaining Internet

29% of organisations without Internet are interested in owning the service. 23% are undecided and could become interested.



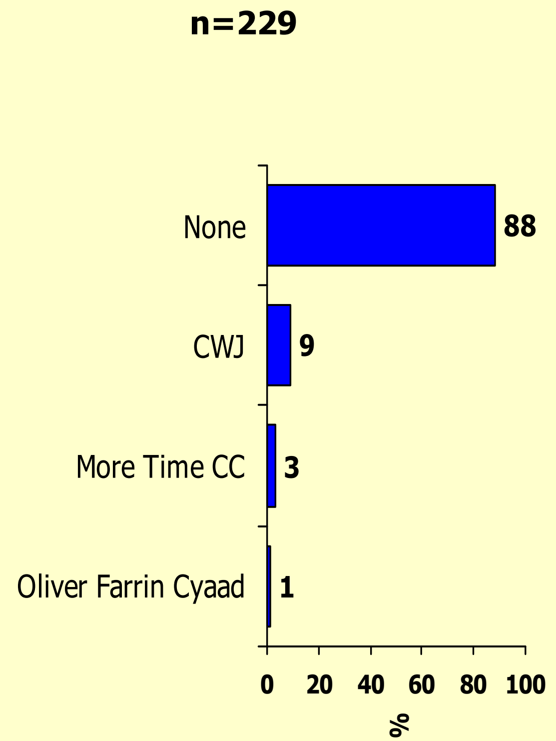
Q64. How interested would you be in getting Internet at home in the next 12 months?

- Just about half of the organisations without Internet have pretty much made up their minds not to own the service. 49% say they are not interested in acquiring the Internet.
- There is still however a great opportunity for increased ownership within organisations. 29% of organisations that do not own the Internet, approximately 9% of the population, are interested in owning the service.
- Another 23% of non-owners, approximately 7% of the population are undecided and could become interested in the service.
- Those interested in the service are not prepared to spend more than JA$2,000 per month for Internet access at a minimum speed of 256K/second.

International Calling Rates

Use & Rating Of International Calling Cards

Only 12% of organisations use international calling cards.

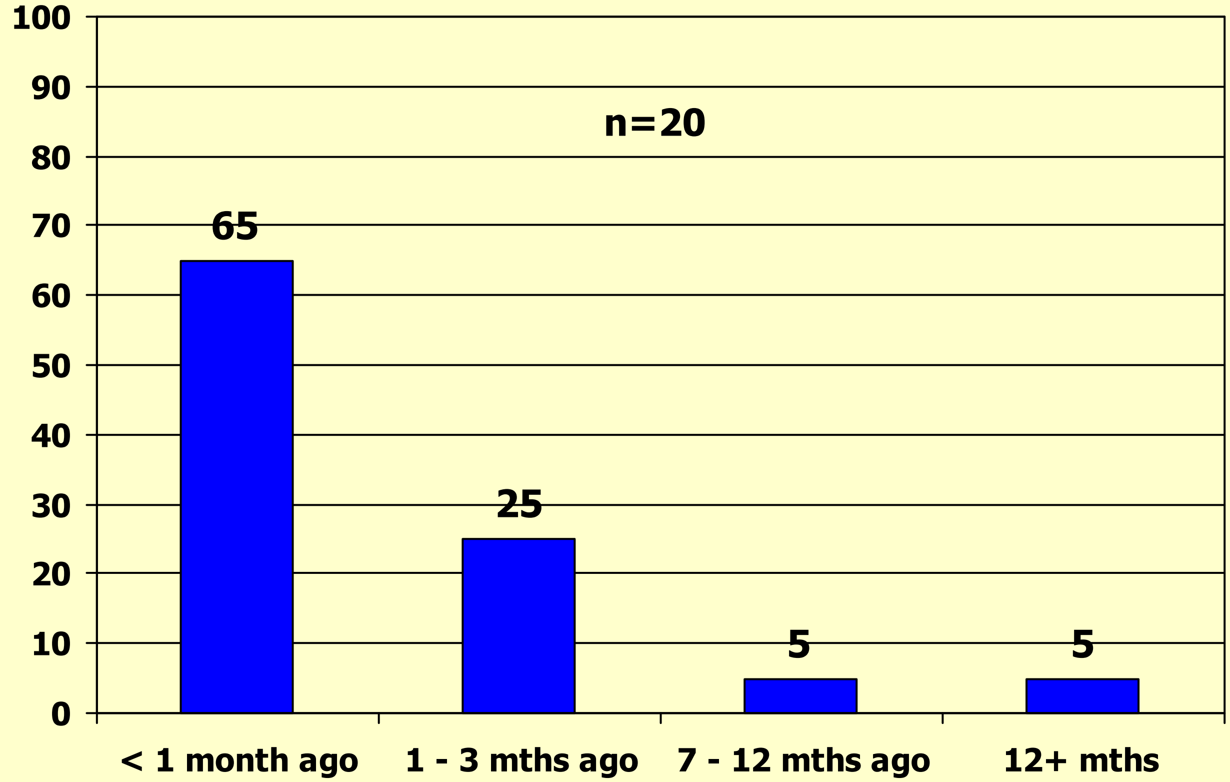


Q70. Which one of the following international calling cards does your organisation use?

- The vast majority of organisations, 88%, do not use international calling cards.
- Cable & Wireless' international calling card is the most widely used of the different brands available in the market. 9% (69% of card users) use this brand.
- More time Calling Card (3%) and Oliver Farrin Cyaad (1%) are the other main brands used nationally.
- Card users assign relatively high quality ratings to the calling cards that they use. Users of More Time Calling Card, are not particularly happy about the service they receive. Very good or good ratings were assigned as follows to the three main brands:
  - **CWJ** **65%**
  - **More Time CC** **17%**
  - **Oliver Farrin Cyaad** **100%**

Last Time C&WJ Calling Card Was Used?

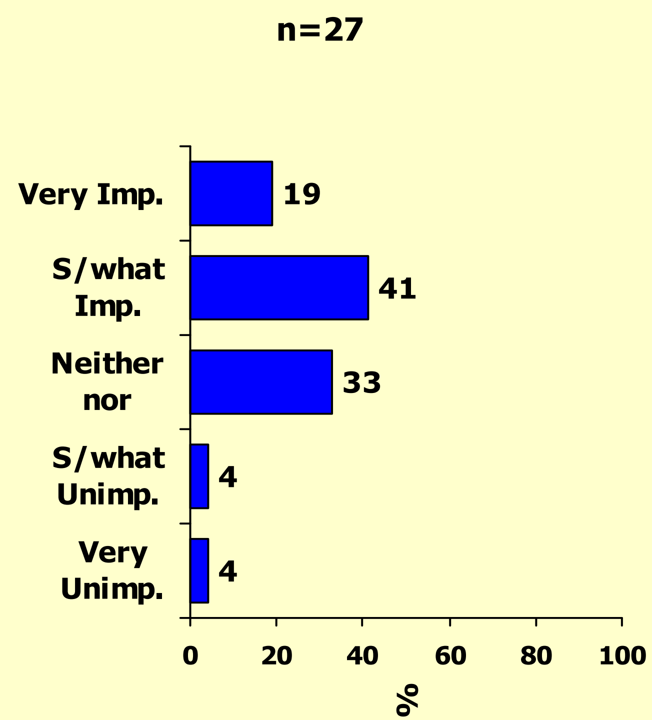
CWJ's international calling cards appear to be used regularly among its users– 65% of users of this brand last used the service within the last month?



Q69. When was the last time that you used C&WJ's international calling card service?

Importance Of Being Able To Cross Networks Using International Calling Cards

International calling card users desire to be able to use any international calling card to make calls on any network.



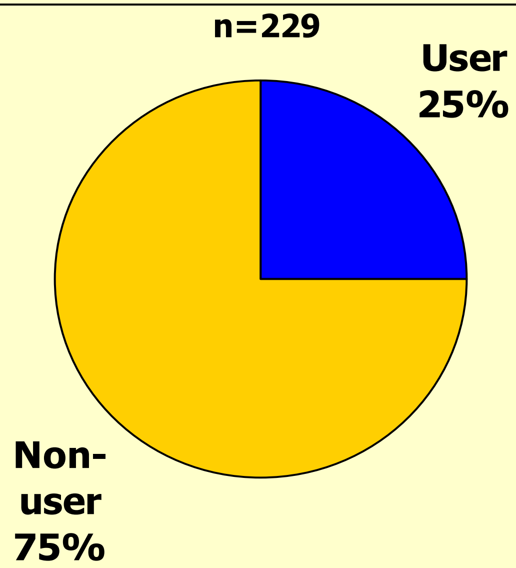
Q73. How important is it to you to be able to use any international calling card to make calls on any network?

- The majority (60%) of international calling card users consider it essential to be able to cross networks using international calling cards.
- This is unimportant to only 8% while a significant 33% remains unconcerned about the matter.
- Consumers are convinced that a system such as this would provide them with greater flexibility and convenience in making their international calls. 44% indicated so. They are also of the opinion that such a system would make it more economical to make international calls, as in their view they could choose the less expensive network to place their calls – 19%. 6% of businesses also share the view that such a system would make transacting businesses easier while the remaining 31% had no special reason for their preference.

Leased Lines & Toll Free Lines

Use Of Local Lease Line

Only 25% of organisations use a local lease line.



Q75. Does your organisation rent or use a local/national lease line?

- The vast majority of organisations, 75%, do not use or rent a local lease line. A significant 25% of organisations do so however.
- All organisations that use or rent a local lease line, obtains this from Cable & Wireless (C&WJ).

Rating of the Quality of Service of Local Lease Line

Most organisations are happy with the quality of service, however a significant number of them experience some disaffection.

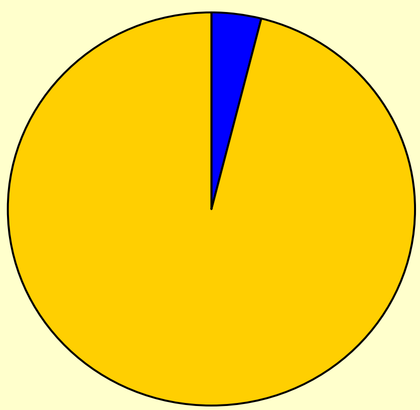
Quality Ratings	n=58 %
Very Good	31
Good	29
Total Good	**60**
Fair	38
Poor	2
Total Fair to Poor	**40**
Intention To Change	
Definitely likely	3
Probably likely	7
Might or might not	24
Probably not likely	19
Definitely not likely	47
Total Not Likely	**66**

- Most users, 60%, agree that the quality of service that they receive from C&WJ on their leas line is of either very good or good standard.
- It is important and significant to note however that the remaining 40% assigned fair to poor ratings to the quality of service they receive from C&WJ. 38% are of the view that the quality is fair while 2% agree that it is poor.
- Despite this, only 10% say they are likely to change their service provider in the next 12 to 24 months. 66% are not likely to change while 24% are unsure.

Q77a/77b. How would you rate the quality of service? How likely are you to change your provider in 12 to 24 months?

Use Of International Lease Line

Less than 5% of organisations rent or use an international lease line.



Q75. Does your organisation rent or use an international lease line?

- The rental or use of an international lease line is not widespread among Jamaican organisations.
- 96% of companies do not use this facility.
- All organisations that use an international lease line, obtain their service from C&WJ.

Rating of the Quality of Service of International Lease Line

3 out of every 4 organisations that use international lease line services are happy with the quality of service they receive

Quality Ratings	n=8 %
Very Good	50
Good	25
Total Good	**75**
Poor	13
Very Poor	13
Total Poor	**26**
Intention To Change	
Definitely likely	0
Probably likely	0
Might or might not	13
Probably not likely	13
Definitely not likely	75
Total Not Likely	**88**

- There is a fair amount of dissaffection with the service among the few organisations that use the facility.
- While the sample of such organisations in very small in this survey, it is still worth noting that 26% say the quality of service is either poor or very poor. The majority (75%) however assign very good to good ratings.
- Organisations in this survey that use an international lease line service are not likely to change their providers any time soon. However, as the sample size of current users is very small in this survey, these findings should not be considered conclusive.

Q77a/77b. How would you rate the quality of service? How likely are you to change your provider in 12 to 24 months?

Use Of Local Toll Free Line Service

11% of organisations rent or use a local toll free line service

n=229

Q81. Does your organisation rent or use local toll free line service?

- While the vast majority of organisations do not use a local toll free line service, 89%, a significant 11% of them do.
- Organisations that use a local toll free line service obtain their service from either Cable & Wireless (96%) or Web 2 Phone (4%).

Rating of the Quality of Service of Local Toll Free Line

3 out of every 4 organisations that use local toll free line services are happy with the quality of service they receive

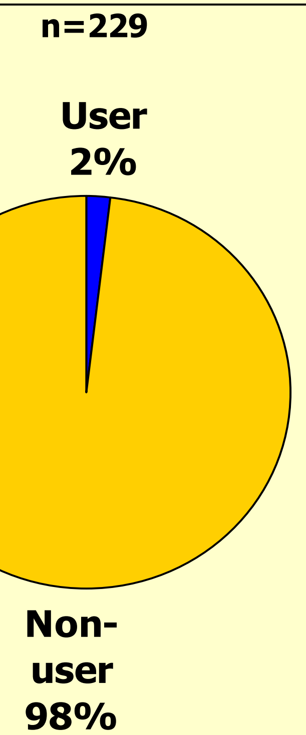
Quality Ratings	n=24 %
Very Good	33
Good	42
Total Good	**75**
Fair	13
Poor	13
Total Poor	**26**
Intention To Change	
Definitely likely	0
Probably likely	4
Might or might not	21
Probably not likely	29
Definitely not likely	46
Total Not Likely	**75**

- The majority of organisations that use or rent a local toll free line service appear satisfied with the quality of the service that they receive. 75% of them assign very good to good ratings to the service they use.
- It is still important to note however that that 26% of these organisations are not as satisfied. These entities assign either fair or poor ratings to their service.
- There is no intention on the part of organisations to change suppliers within the next 12 to 24 months. 75% of organisations that use the local toll free service indicated so. A significant 21% could however be encouraged to switch.

Q83a/Q83b. How would you rate the quality of service? How likely are you to change your provider in 12 to 24 months?

Use Of International Toll Free Line

Only 2% of organisations use or rent an international toll free line service.



Q84. Does your organisation rent or use an international lease line?

- The rental or use of an international toll free line services is not common among Jamaican organisations.
- 98% of companies do not use this facility.
- Nearly all organisations that use this service obtain it from C&WJ (80%). The remaining 20% rely on Web 2 Phone for their service.

Rating of the Quality of Service of International Toll Free Line

8 out of every 10 organisations that use international toll free line service are happy with the quality of service they receive

Quality Ratings	n=5 %
Very Good	60
Good	20
Total Good	**80**
Fair	20
Total Fair	**20**
Intention To Change	
Definitely likely	0
Probably likely	0
Might or might not	0
Probably not likely	40
Definitely not likely	60
Total Not Likely	**100**

- There is little to no disaffection with the quality of service received from their international toll free line service.
- Only 20% assigned a fair rating to the service. 80% of users agreed that the quality is either very good or good.
- It is no surprise then that none of the users of this service is likely to change their supplier in say the next 12 to 24 months. It should be recalled however that the number of users in the sample is very small, only 5, and so these results are not conclusive.

Q867/86b. How would you rate the quality of service? How likely are you to change your provider in 12 to 24 months?