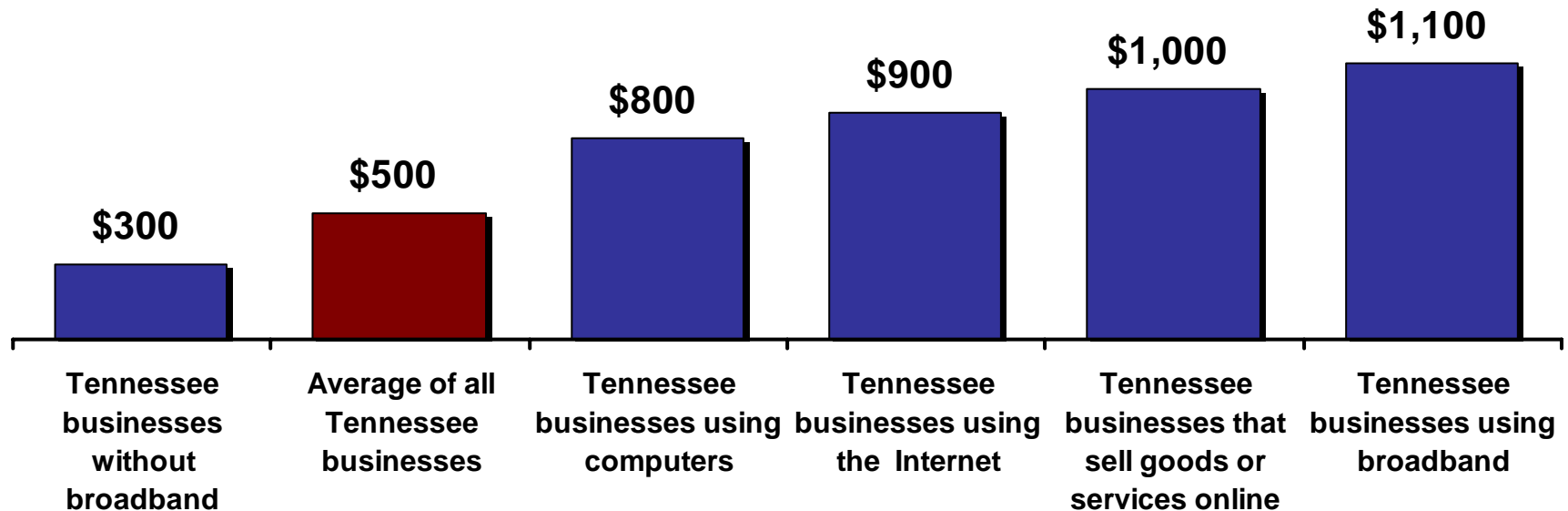


The Impact of Technology on Company Revenues

The Impact of Technology Adoption on Sales Revenues

- Technology adoption has a positive correlation with median company revenues across Tennessee.
- Firms that use computers generally bring in higher revenues than the state average.
- Firms that use the Internet earn more as well, and Tennessee businesses that use broadband have the highest median revenue of any technology group.

Median Total Company Revenue (\$000)

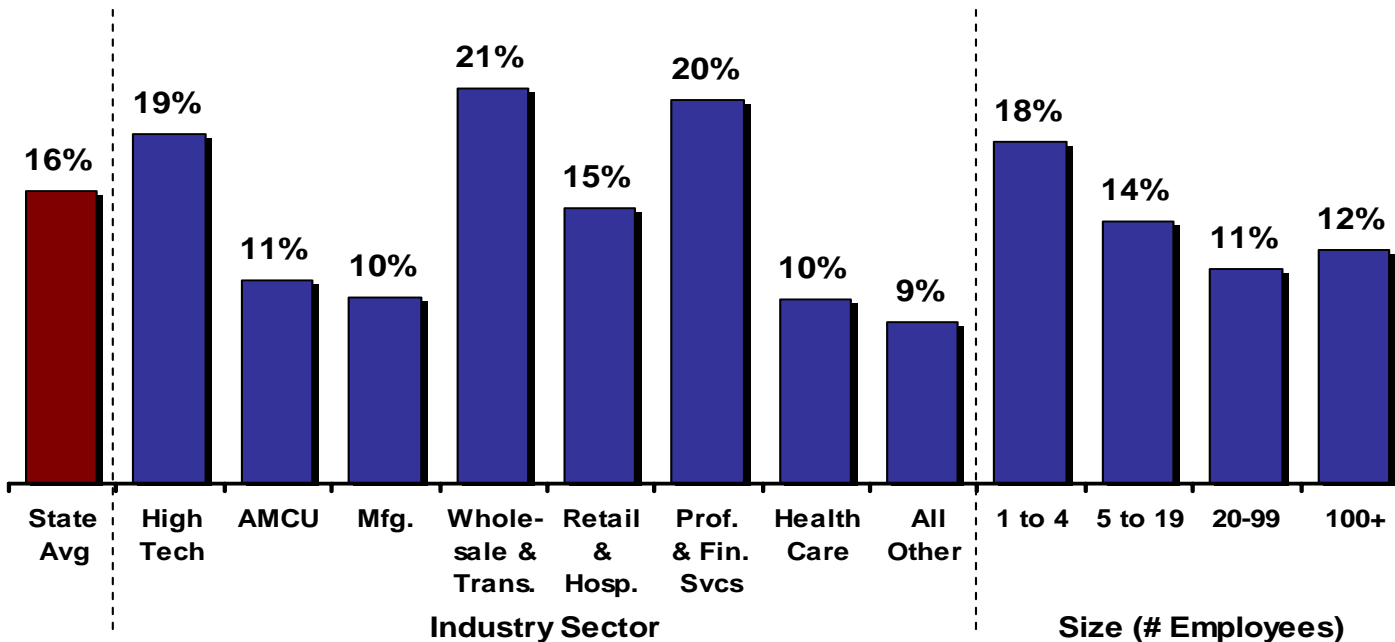


What is your firm's approximate average annual revenue?
(n = 812 Tennessee businesses)

Percent of revenues from online sales

- On average, businesses that sell online say 16% of their sales revenue comes from online sales.
- The High Tech, Wholesale Trade/ Transport/Warehousing, and Professional/Finance industry sectors report the highest percentages of revenue from online sales.
- On average, online sales make up a larger percentage of small companies' total revenue than it does for larger firms.

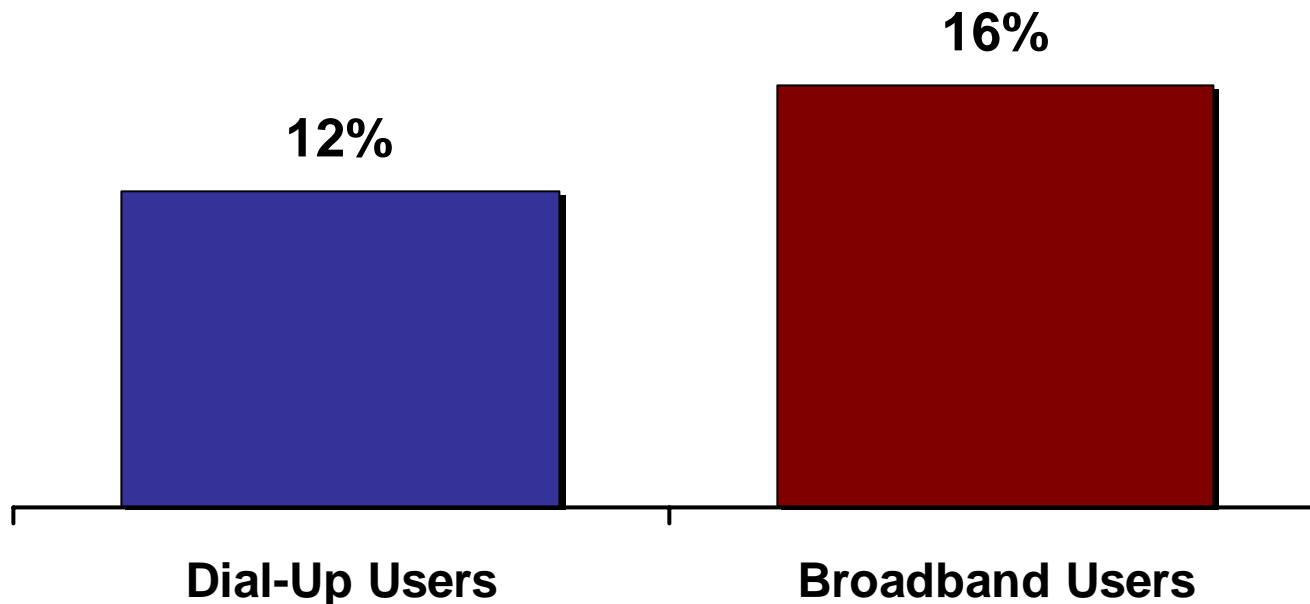
Average percent of revenues from online sales



Q: What percentage of your company's total sales revenue takes place online?
(n = 282 TN businesses that sell goods or services online)

Percent of Revenues From Online Sales (Dial-Up Versus Broadband Users)

Average percent of revenues from online sales



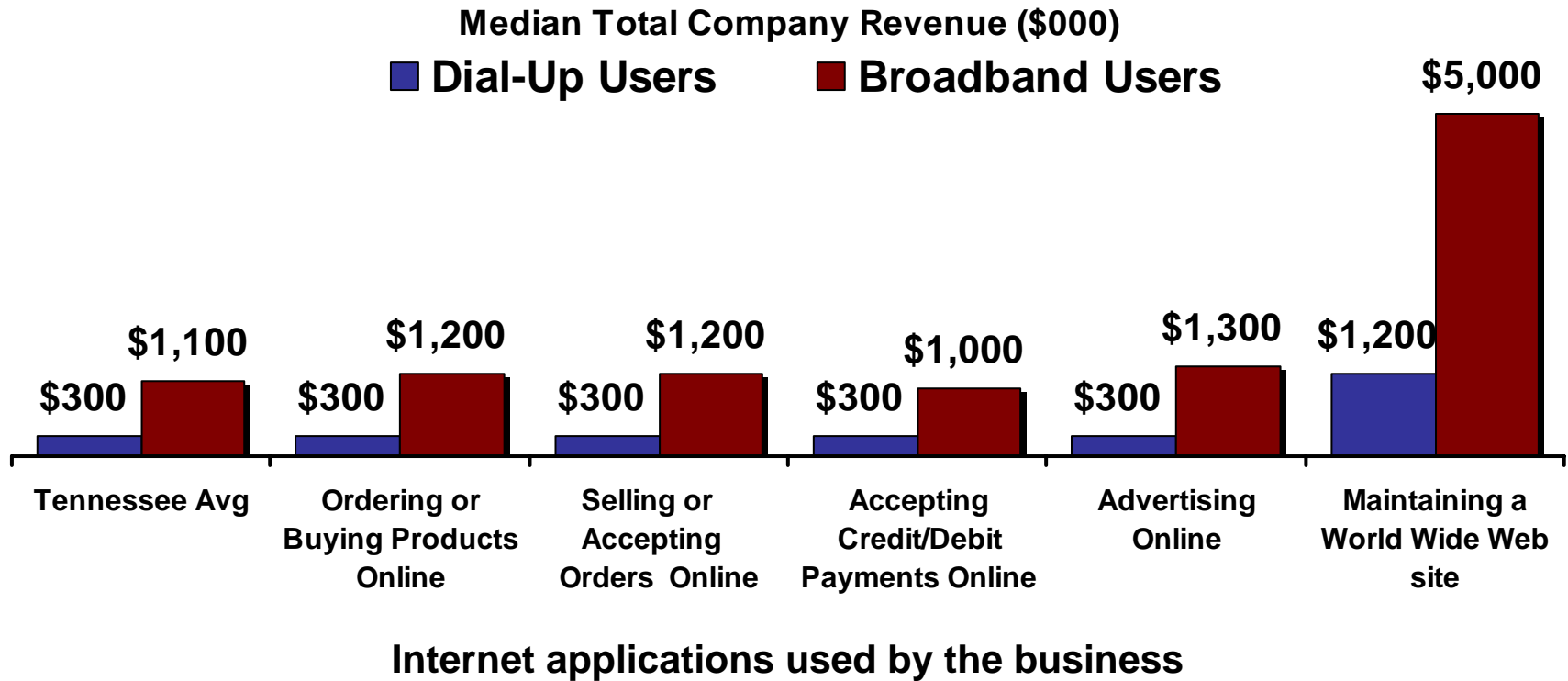
Q: What percentage of your company's total sales revenue takes place online?
(n = 282 TN businesses that sell goods or services online)

© Do Not Copy Without Written Permission



The Impact of Technology Adoption on Total Revenues (Dial-Up Versus Broadband)

Businesses that use broadband to advertise, buy, or sell goods have considerably higher median revenues than businesses that use dial-up for those applications.



What is your firm's approximate average annual revenue?
(n = 615 Tennessee businesses that use the Internet)

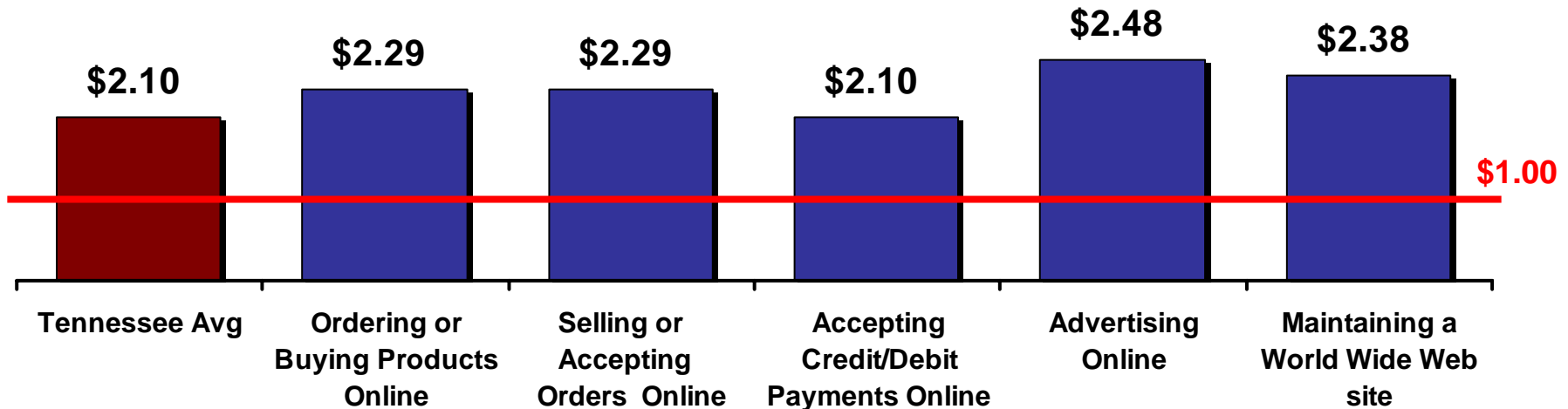
© Do Not Copy Without Written Permission



The Impact of Technology Adoption on Business Revenues (Dial-Up Versus Broadband, Per Capita)

On average, businesses that use broadband to advertise, buy, or sell goods also have higher revenues per capita than businesses that use dial-up for those applications.

For every \$1.00 per capita earned by businesses with dial-up, broadband-connected businesses earn on average:



Internet applications used by the business

What is your firm's approximate average annual revenue?
(n = 615 Tennessee businesses that use the Internet)

© Do Not Copy Without Written Permission

Source: 2007 Connected Tennessee survey of businesses.

www.connectedtennessee.org