



The Internet's Impact on Success and Competitiveness

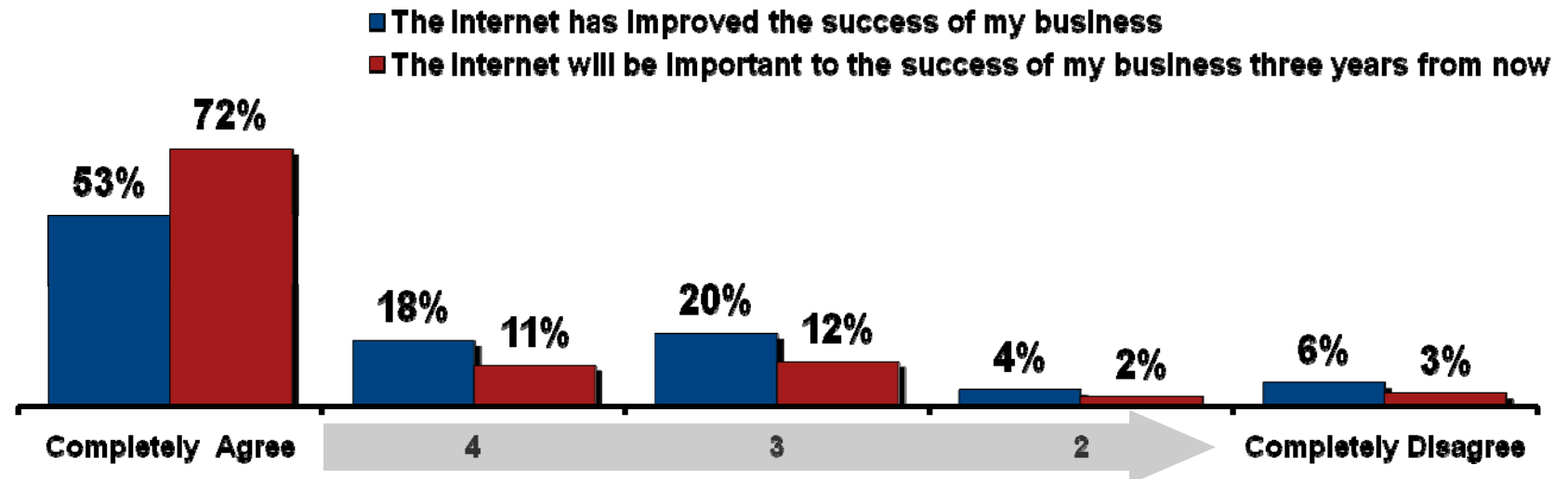


The Internet's Impact on Success

Over one-half (53%) of all Internet-connected Tennessee businesses “Completely Agree” that the Internet has already improved the success of their business.

Almost three out of four Internet-connected businesses (72%) say they “Completely Agree” that the Internet will be important to their success three years from now.

On a scale from 1 to 5, with 5 being “Completely Agree” and 1 being “Completely Disagree”:



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=629 TN businesses that use the Internet)

Source: January 2010 Connected Tennessee®
Survey of Businesses
www.connectedtennessee.org

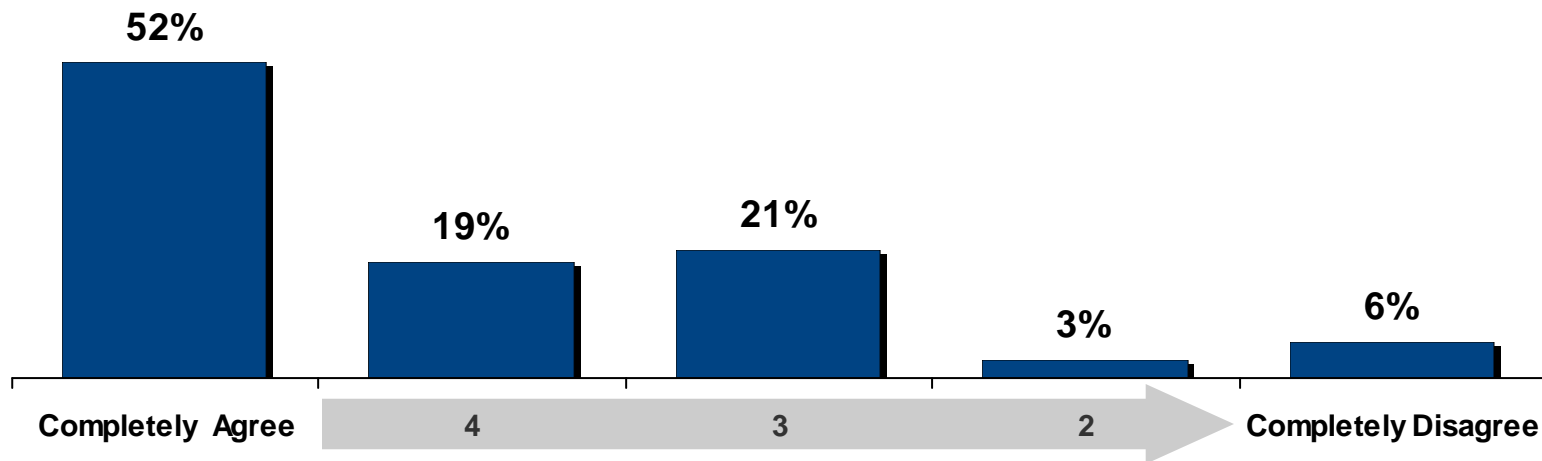


The Internet's Impact on Success (Among Broadband Users)

Over one-half (52%) of all broadband-connected businesses “Completely Agree” that the Internet has helped them succeed.

On a scale from 1 to 5, with 5 being “Completely Agree” and 1 being “Completely Disagree”:

“The Internet has improved the success of my business.”



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=590 TN businesses with a broadband connection)

Source: January 2010 Connected Tennessee®
Survey of Businesses
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The Internet's Future Impact on Success

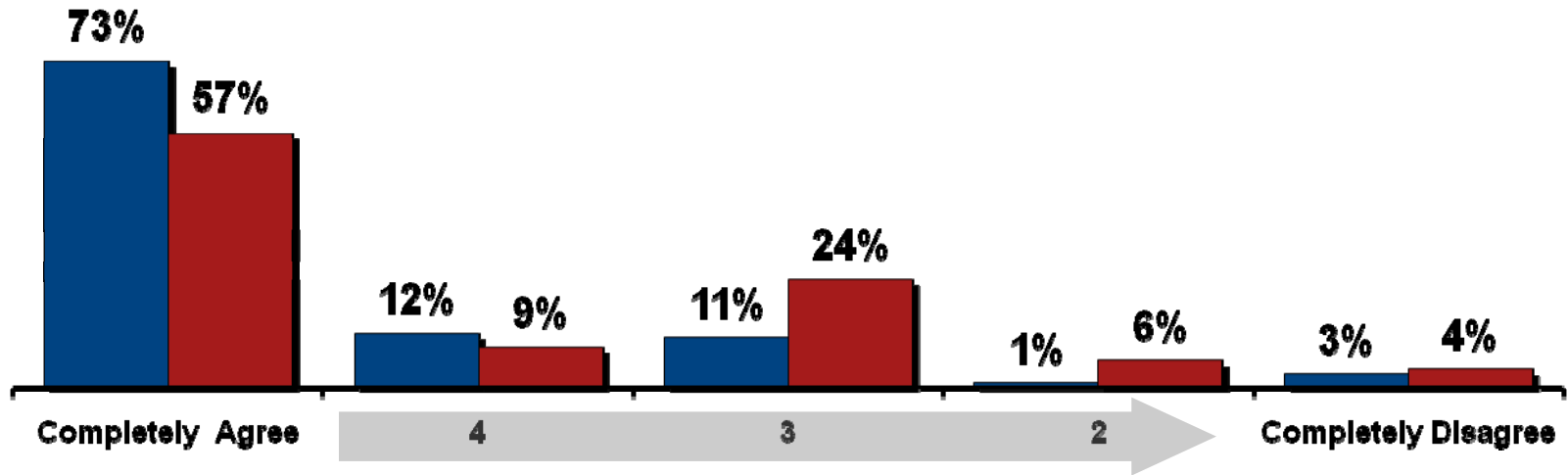
(Broadband Users vs. Internet Users Without Broadband)

Broadband users are more optimistic about the Internet's role in their future success.

On a scale from 1 to 5, with 5 being "Completely Agree" and 1 being "Completely Disagree":

"The Internet will be important to the success of my business three years from now."

■ **Broadband users** ■ **Internet-connected businesses without broadband**



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement: (n=629 TN businesses that use the Internet)

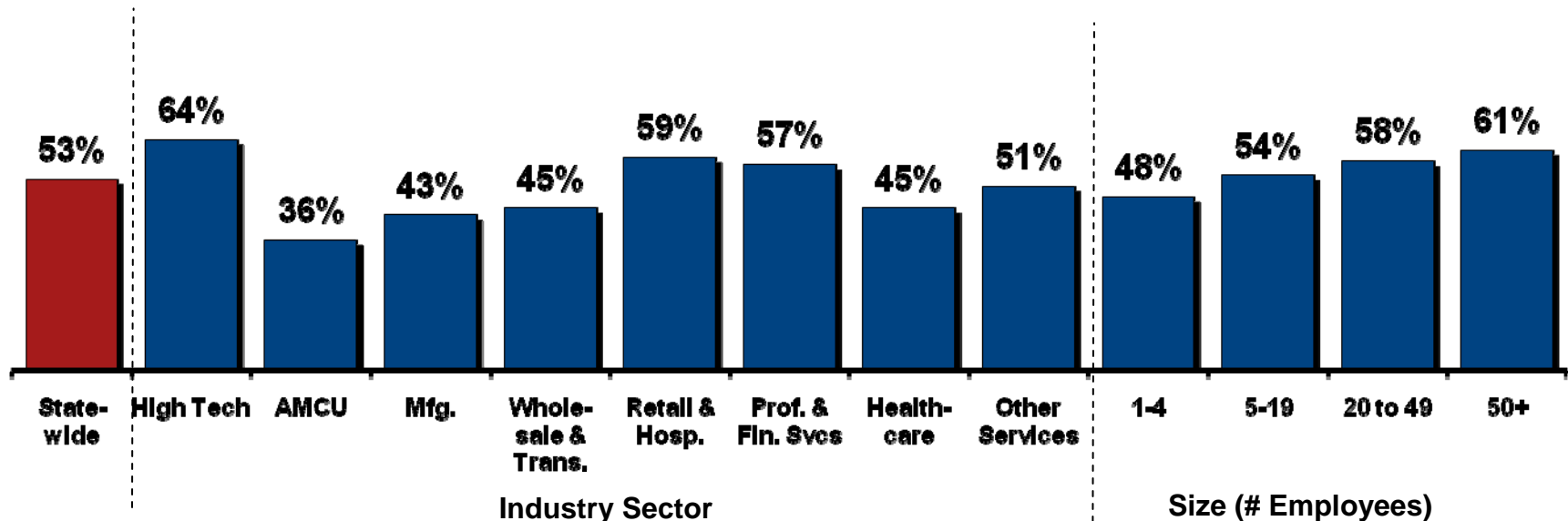
Source: January 2010 Connected Tennessee® Survey of Businesses
www.connectedtennessee.org



The Internet's Impact on Success by Size and Sector

Businesses in the High Tech sector are most likely to appreciate the value of the Internet for business success.

Percent of businesses that use the Internet and "Completely Agree" with the statement:
"The Internet has Improved the success of my business."



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=629 TN businesses that use the Internet)

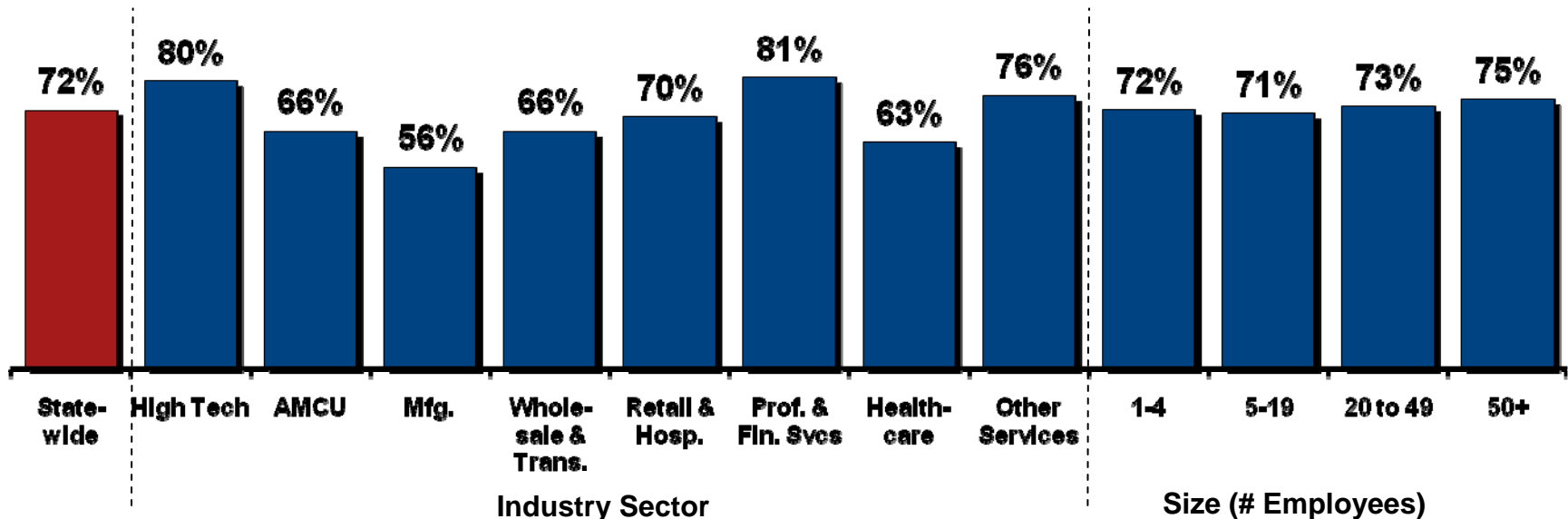
Source: January 2010 Connected Tennessee®
Survey of Businesses
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The Internet's Future Impact on Success by Size and Sector

Businesses in the Professional/Financial Services and High Tech sectors are the most likely to believe in the Internet's value for future business endeavors.

**Percent of businesses that use the Internet and "Completely Agree" with the statement:
"The Internet will be important to the success of my business three years from now."**



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=629 TN businesses that use the Internet)

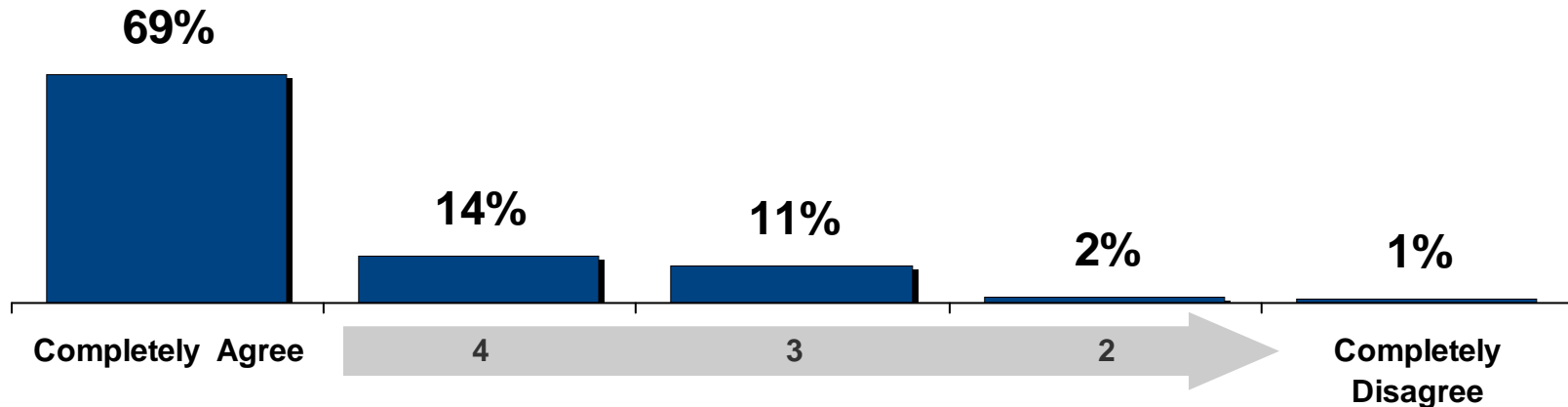
Source: January 2010 Connected Tennessee®
Survey of Businesses
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Broadband's Impact on Competitiveness

More than two out of three Internet-connected businesses completely agree that broadband is necessary to compete in today's global market.

On a scale from 1 to 5, with 5 being “Completely Agree” and 1 being “Completely Disagree”:
“Businesses need broadband to compete in today's global economy.”



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=629 TN businesses that use the Internet)

Source: January 2010 Connected Tennessee®
Survey of Businesses
www.connectedtennessee.org

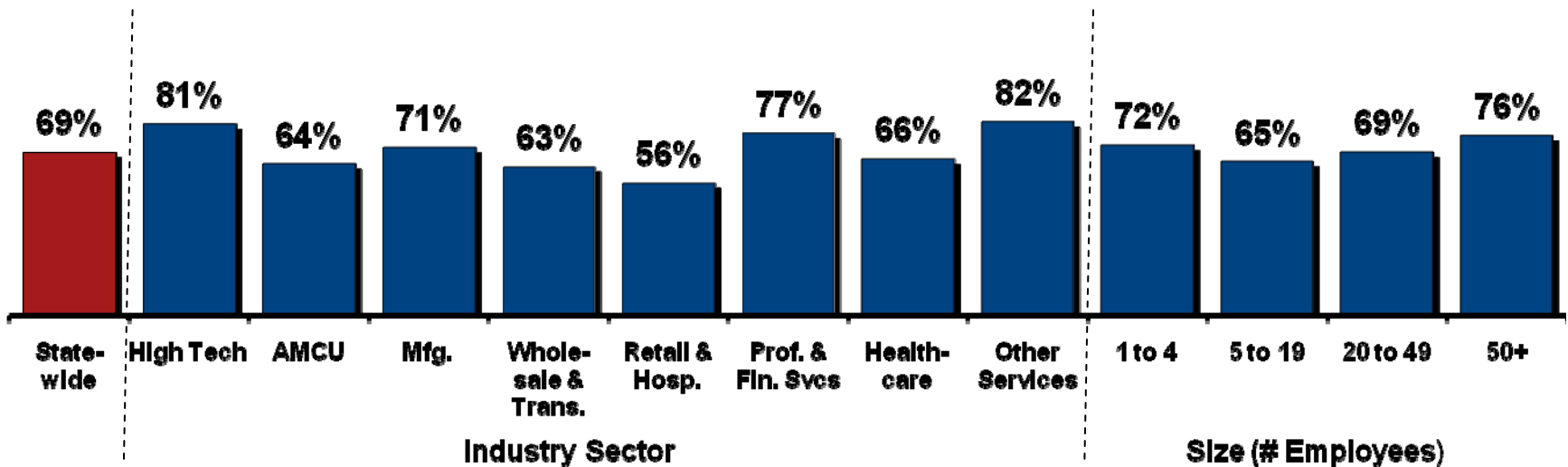


Broadband's Impact on Competitiveness by Size and Sector

Businesses in the Other Services and High Tech sectors are the most likely to “Completely Agree” that businesses need broadband to compete.

The belief that broadband is necessary to compete in today's global economy is reported equally among businesses of all sizes.

Tennessee businesses that use the Internet and “Completely Agree” with the statement:
“Businesses need broadband to compete in today's global economy.”



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=629 TN businesses that use the Internet)

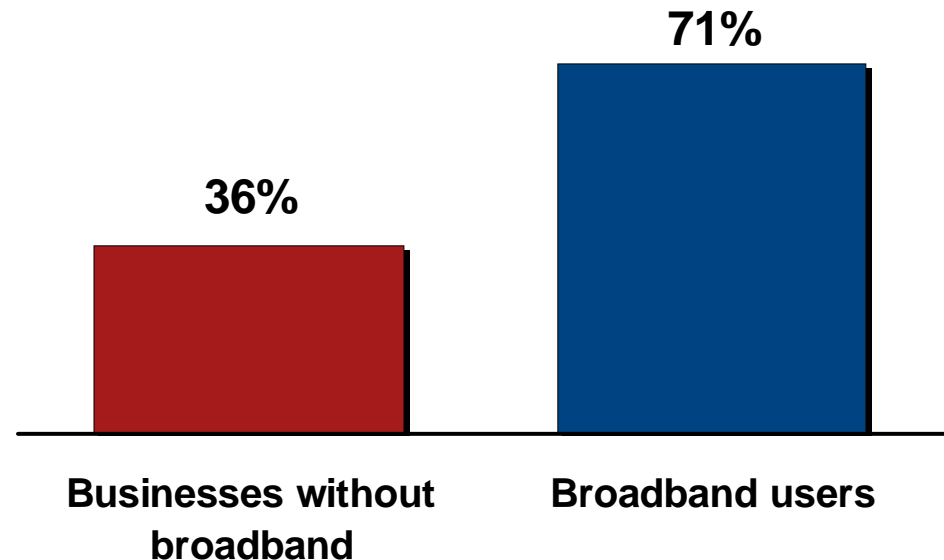
Source: January 2010 Connected Tennessee®
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www.connectedtennessee.org

Perceptions of Broadband's Impact on Competitiveness

Tennessee businesses that use the Internet and “Completely Agree” with the statement:

Broadband-connected businesses are significantly more likely to “Completely Agree” that broadband is necessary to remain competitive today.

“Businesses need broadband to compete in today’s global economy.”



Q: On a scale of 1 to 5, with 5 being completely agree and 1 being completely disagree, how much do you agree with the following statement:
(n=629 TN businesses that use the Internet)

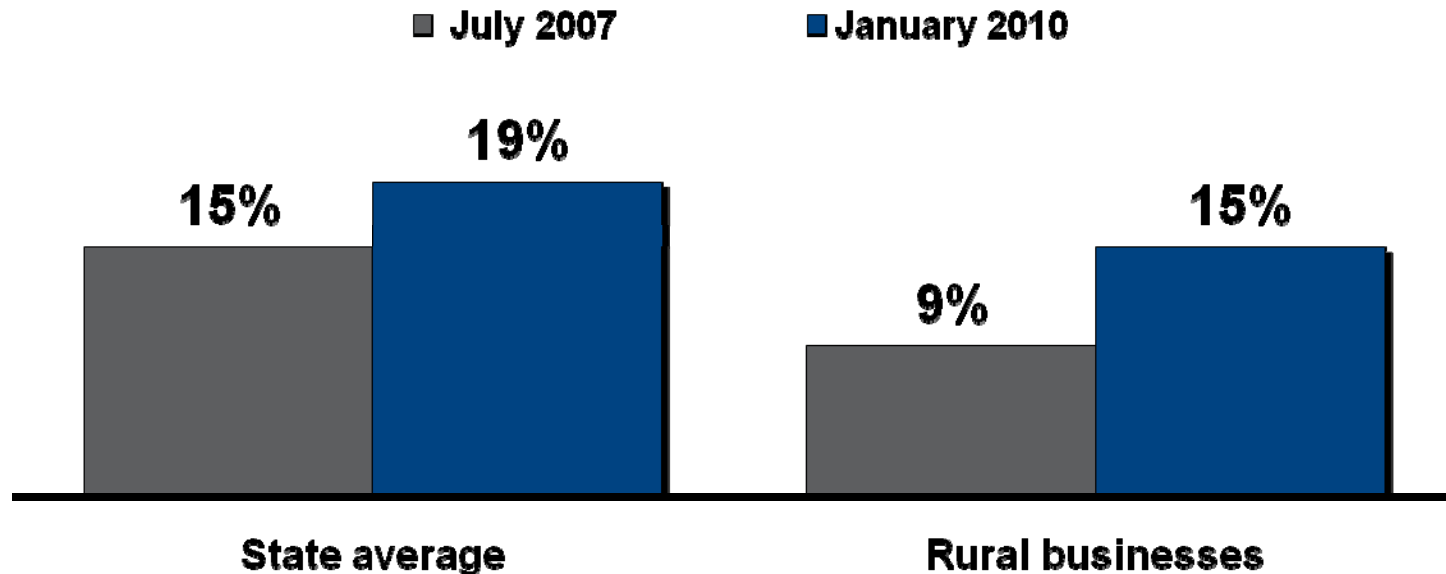
Source: January 2010 Connected Tennessee®
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e-Commerce Among Rural Tennessee Businesses

Since July 2007, the percentage of online sales revenues earned by rural businesses that sell goods or services online has nearly doubled.

Average percentage of revenues coming from online sales



Q: What percentage of your company's total sales revenue takes place online?
(n=346 TN businesses in 2007 that sell goods or services online, and
n=355 TN businesses in 2010 that sell goods or services online)

Source: January 2010 Connected Tennessee®
Survey of Businesses
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