



Connected Tennessee's Business Survey Reveals State Businesses Earned More Than \$37 Billion From Online Sales

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81% of Tennessee businesses use broadband, up 5 percentage points from 2013; many businesses cite training, tech knowledge as important for new employees

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Nashville, TN – Connected Tennessee today is releasing findings from a survey of Tennessee businesses showing that 81% of businesses in the state use broadband, up 5% from last year; and that Tennessee businesses reported \$37.1 billion earned in online sales in 2013.

Additional survey findings include:

- 70,000 Internet-connected Tennessee businesses don't have redundant or backup Internet service, leaving them vulnerable to disruptions that could result in lost sales and revenues.
- 18,000 Internet-connected businesses want more bandwidth; of those, more than one-third (34%) report that they can't get faster service where they are located.
- More than one in five Internet-connected Tennessee businesses (21%) now rely on cloud computing services for their operations. The most popular uses of cloud computing are: data storage and back-up, file sharing, and website hosting.
- Nearly one in eight businesses say it is important for new employees to be able to create or edit a mobile app, while one in eleven say it is important for new employees to know at least one programming language.
- More than four out of ten Tennessee businesses (44%) say they spend their own time and resources training new employees on the software that their business uses.

"Today's business and broadband research release confirms that, just as broadband Internet is increasingly becoming a part of our everyday personal lives, it is also becoming an essential tool for many Tennessee businesses, enabling greater productivity, access to wider markets, and increased revenues," said Connected

Tennessee Executive Director Corey Johns. “While we are certainly encouraged that broadband adoption among Tennessee businesses now stands at 81%, up 5 percentage points from last year, and yielding record online sales, the fact that 4 in 10 Tennessee small businesses are currently without a website shows that there is still more work to be done.”

Other prominent Tennessee business and economic development leaders agreed:

“When economic development agencies like ours are selling Tennessee to businesses for relocation or start-up, broadband access is now as important as infrastructure needs such as power and roads,” said Mike Edwards, president & CEO of the Knoxville Chamber Partnership. “This survey substantiates what we have all believed – if you build it, they will come. Seeing such a drastic increase in usage that led to a significant influx of cash into our state’s economy validates the importance of both public and private entities investing in our state’s connectivity.”

"Tennessee is increasingly becoming recognized as a hotbed for technology and innovation, as evidenced by the relocation and expansion of numerous tech companies, start-ups, and entrepreneurs to our area and state," said Ken Hays, president of the Chattanooga Enterprise Center. "The results of Connected Tennessee's business technology adoption survey confirms the increasing appreciation for the benefits of broadband by Tennessee businesses, as well as the growing demand for access to world-class broadband connectivity and digitally-skilled workers. Continued expansion of broadband access, adoption, and use will help solidify the leadership role of our city and state in the emerging digital economy."

“As a provider of managed IT and web development services across Tennessee, I see firsthand the growing demand for cloud computing services to support a more geographically diverse workforce – in both urban and rural areas,” said Chris Donaldson, founder and CEO of Tencom Services with offices in Dyersburg and Franklin. “As our clients are seeking out the best talent, regardless of where they are located, cultivating a digitally ready workforce in Tennessee is critical to addressing the needs of today’s businesses and employers.”

Connected Tennessee’s business survey was conducted as part of the State Broadband Initiative grant program, funded by the National Telecommunications and Information Administration. The business survey results have been independently peer reviewed, and this survey will be used by state and local leaders to help drive increased adoption and use of broadband.

These results and other findings can be reviewed on Connected Tennessee’s [website](#).

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About Connected Tennessee: As Tennessee’s state broadband initiative, Connected Tennessee is a public-private partnership that joins with technology-minded businesses, government entities, universities and non-profit organizations to improve economic development and enhance quality of life by accelerating Tennessee’s technology landscape. For maps, research or more information about what Connected Tennessee is doing to expand broadband access, adoption, and use, visit www.connectedtn.org.

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