United Arab Emirates

هيئة تنظيم الاتصالات TRA
TELECOMMUNICATIONS REGULATORY AUTHORITY

ICT in the UAE
Business Survey - 2013

June 2014

Table of Contents

Background 3

Methodology 4

Introduction and Main Results 6

Fixed Line Telephony 12

Mobile Telephony 16

International Services 28

Internet Services 32

Mobile Internet 39

Networks & Advanced Services 42

E-Commerce 44

Consumer Satisfaction 47

Background

In the second half of 2013, the TRA undertook an intensive survey focusing on business usage of ICT services in the UAE in order to better understand business perceptions on their usage of, and demands for, ICT services.

The business survey spanned multiple services including fixed telephony, mobile telephony, Internet, advanced telecommunication services and E-commerce and targeted the following:

- the extent to which businesses in the UAE have access to ICT services;
- the extent to which businesses in the UAE use the ICT services that they are connected to;
- the extent to which businesses are satisfied with their ICT services; and
- the extent to which businesses in the UAE engage in E-commerce activities.

The TRA also completed a similar ICT survey for businesses in 2011. The results of the 2011 survey can be found at: http://www.tra.gov.ae/ict_in_uae.php

Methodology (1)

The survey was conducted by face-to-face interviews with calls back where necessary to ensure the authenticity of the responses. A total of 1,502 businesses across the UAE participated in this study. The businesses were drawn from all seven Emirates.

The surveyors targeted the key/joint decision maker of the business regarding the subscription decisions and expenditure on ICT services.

The E-Commerce section of the survey was only used if the key/joint decision maker was authorized to engage in an e-commerce activity within the company.

The survey was limited to businesses with 10 or more employees.

Methodology (2) - Sample Structure

Distribution of Businesses by:

Emirate

Size

Sector

Industrial Classification

88% of the organizations across the country consider telecommunications as an important aspect to the running of their business.

Importance of telecommunications to the running of the business

Introduction and Main Results - Subscriptions

Businesses with Fixed Line

Business provides an employee with a paid Mobile Phone

Businesses with Internet Access

Types of Internet Connection

Introduction and Main Results

Breakdown of call expenses of Mobile & Fixed Telephones

Businesses doing Online Sales & Purchases

Percentage of employees routinely using a computer at work

Carrier Selection used for International calls

Introduction and Main Results - Spending

- More than 28% of businesses spend over AED 3,000 per month on a fixed telephone line.
- 33% of the businesses spend over AED 3,000 per month on mobile telephony services.

Business Monthly Spending on:

Introduction and Main Results – Satisfaction

Satisfaction with all types of ICT services is fairly high among businesses in the country

Key results of the survey

Indicator	%
Personal computer (Desktop, laptop, handheld)	100%
Fixed telephone lines (including Fax lines)	100%
Mobile phone that business pays for	65%
Internet connection	95%
Employees routinely use Internet at work	49%
Businesses with Local Area Network (LAN)	82%
Businesses with website presence	75%

Fixed Line Telephony

Fixed Line Telephony - Subscriptions

- All businesses surveyed have a fixed line telephone.
- 90% of businesses have Etisalat as their primary provider while 4% have both Etisalat and du

Fixed Line Subscriptions

Fixed Lines Distribution

Fixed Line Telephony – Usage

The majority of the calls were made to fixed line phones with 64% of the businesses making more than 30 calls per day.

Average number of calls originated from Fixed Telephones per day

Fixed Line Telephony – Spending

- 28% of businesses spend AED 3,000 or more per month on fixed line services.
- 82% of fixed line expenditure is for domestic calls.

Monthly spending on Fixed Telephone Line

Breakdown of call Expenses made from Fixed Telephone Line

Mobile Telephony

Mobile Telephony – Subscriptions (1)

65% of businesses provide paid mobile phones to its employees with the most prominent for doing so being to enable easy accessibility of employees.

Business provides an employee with a paid Mobile Phone

Reasons why business provide paid Mobile handset

Mobile Telephony – Subscriptions (2)

- 40% of businesses have only postpaid subscriptions, whilst 33% have both postpaid and prepaid subscriptions.

Mobile Subscriptions by Service Provider

Subscription Type	Proportion of Mobile Subscriptions
Etisalat Prepaid	47%
Etisalat Postpaid	61%
du Prepaid	29%
du Postpaid	23%

Percentages of Prepaid & Postpaid Mobile Subscriptions

Mobile Telephony –Subscription (3)

The convenience of never running out of credit was cited as the main reason for using postpaid subscriptions by the majority of businesses.

Mobile Telephony – Subscriptions (4)

59% of the businesses reported that the main reason for using prepaid subscriptions was to enable better management of monthly expenditure.

Mobile Telephony – Subscriptions (5)

Most of the businesses that do not have a mobile phone subscription say it is because they use a fixed phone line instead (63%).

Reasons for not having any mobile phone services

Likelihood of business getting a mobile phone within next 6 months

Mobile Telephony – Usage (1)

The majority of businesses pay for multiple mobile services for employees.

Mobile Telephony – Usage (2)

- The majority of calls and SMSs from businesses within the UAE are to other mobile phones within the UAE.

Average number of calls originated from Mobile per day

Types of SMSs sent

Mobile Telephony – Usage (3)

- Only 8% of businesses have switched from one mobile operator to another.
- Of those businesses that did switch mobile operators, 73% reported that it was because the other operator had lower prices.

Have businesses switched from one mobile operator to the other

Reasons for switching mobile operators

Mobile Telephony – Usage (4)

Of businesses that have switched mobile operators, 55% said it was fairly easy to do so.

Mobile Telephony – Usage (5)

The majority of the businesses said that they never changed their mobile calling patterns to take advantage of promotions offered by service providers.

Do businesses change mobile calling patterns to take advantage of promotions

Mobile Telephony –Spending

- 64% of businesses using mobile phones spend over AED 1,000 per month on Mobile Telephony services.
- Domestic calls account for 86% of the total mobile expenses.

Business monthly spending on Mobile Telephony

Breakdown of call expenses for Mobile Calls

International Services

Top 10 Destinations of International Calls from Mobile Phones

Top 10 Destinations of International Calls from Fixed Phones

Internet Services

Internet Services – Subscriptions (1)

- 95% of businesses had an internet connection.
- Etisalat was the largest provider of internet services provided to businesses.

Business with Internet Access

Distribution of Internet Subscriptions by Provider

Internet Services – Subscriptions (2)

87% of businesses have fixed broadband internet & less than 27% are on speeds of 2Mbps or less.

Internet Services – Subscriptions (3)

- 42% of subscribers were on a 12-month contract for their internet package.
- Of those businesses that subscribed to dial-up internet, the majority did so as a back-up for if broadband wasn't working.

Subscription contract signed with a minimum period

Reasons for having Dial-up and Broadband internet subscriptions

Internet Services – Subscriptions (4)

The majority of the businesses without internet access reported that they don't have an internet connection because it is not required for their business.

Internet Services – Usage (1)

- 44% of employees routinely use a computer at work and 49% routinely access the internet.

Employees routinely use Computer at work

Employees routinely use Internet at work

Internet Services – Usage (2)

- Sending/receiving emails followed by instant messaging followed by obtaining information were the most popular activities undertaken on the internet by businesses.
- The majority of websites accessed were English language websites.

Internet activities during last month

Sites visited by language

Internet Services – Usage (3)

- 75% of businesses had a website, of which 23% used a .ae domain.
- The majority of these websites were in English only with 24% being in English and Arabic.

Language of the business's website

Types of web presence of the Business

Activities business uses website for (Most Used)

Mobile Internet

Mobile Internet– Subscription and Usage (1)

- Mobile internet was mainly accessed from PCs using dongles or data cards.
- Of businesses that have both Mobile and Fixed Broadband, the fixed connection is used to access the internet 89% of the time and the mobile connection 11% of the time.

Devices used to access Mobile Internet

Proportion of time internet is accessed using Mobile Internet compared to Fixed Internet services

Mobile Internet – Usage (2)

- Sending/receiving emails followed by instant messaging were the most popular activities undertaken using mobile internet.
- 39% of businesses said a reduction in price would lead to great usage of mobile internet

Network and Advanced Services

Networks & Advanced Services

95% of businesses had some type of advanced network service. Of these 82% had a local area network (LAN).

E-Commerce

E-Commerce – Online Purchases

- 18% of businesses have made online purchases.
- Of those businesses who made purchases online, through a website was the most prevalent mode of purchase.

E-Commerce – Online Sales

- Only 15% of businesses had online sales.
- Of those businesses who had online sales, sales through their website were the most prevalent.

Consumer Satisfaction

Satisfaction (Fixed Telephony)

Satisfaction levels were relatively high across all dimensions of fixed telephone services.

Satisfaction (Fixed Internet)

Fixed Internet Service also enjoy high levels of satisfaction

Satisfaction (Mobile Telephony)

Overall satisfaction levels are high with respect to mobile telephony. The highest level of dissatisfaction related to prices of national calls.

Satisfaction (Blackberry and iPhone Services)

More then 66% of business are satisfied with the price and range of Blackberry service while more than 75% are satisfied with their iPhone services.

Satisfaction (Mobile Internet)

87% of the businesses are satisfied with the mobile internet service.

Satisfaction (International Calling Services)

- A significant portion of number of businesses are satisfied with the quality international calls. However, satisfaction levels are lower for the price of international calls.

Satisfaction (Advanced Network Services 1)

Businesses were generally satisfied with the quality of leased lines & VPN services. Satisfaction levels lower, although still relatively high, in relation to prices.

Satisfaction with Leased Line Services

Satisfaction with Virtual Private Network Services

Satisfaction (Advanced Network Services 2)

Businesses were generally satisfied with Ethernet Services and 800 Number Services.

Service Complaints

- 40% of businesses had at one stage complained to a service provider. Only 3% had complained to the TRA.
- The majority of complaints were about the internet and fixed telephone services.

To Telecom Service Provider

To the TRA

Nature of Complaints