

***THE PULSE***

# GET CONNECTED

THE COMMUNICATION TOOLS AND SERVICES  
SUPPORTING SMALL E-COMMERCE BUSINESSES

October 2024

Data Catalyst Institute



# INTRODUCTION

Small and medium-sized businesses (SMBs) face a variety of choices when it comes to selecting phone and internet providers that keep their operations running smoothly and connect them with customers. The Data Catalyst Institute (DCI) has spent years researching the choices small businesses make and the critical role digital tools and services play for small businesses. This report is the first time we examine the internet and phone providers they use, and the impact of connectivity on their success. In this qualitative study, we set out to understand SMBs' perspectives on their current providers and services, whether they considered them reliable, and what entices them to select one provider over another.

Open-ended question responses reveal businesses value reliability, coverage & speed, dependable customer service, good deals, and great prices. Half of SMBs on our panel bundle their business's phone and internet service, but most would switch providers if they found more reliable services elsewhere.

While some SMBs report satisfaction with their current services, others encounter ongoing issues that affect their productivity and customer engagement. This edition of *THE PULSE* delves into these choices to uncover the motivations and challenges SMBs experience in their pursuit of optimal connectivity solutions.



# HOW & WHY: SMBS CONNECT TO INTERNET SERVICES

INTERNET SERVICE EMPOWERS SMALL BUSINESSES TO COMMUNICATE, SELL, AND STAY COMPETITIVE IN THE DIGITAL AGE.

“It is important for my business because it aids communication, productivity and efficiency, e-commerce, and online sales.”

–Verizon Customer

“High-speed internet is important for my business because I take pride in having quick & effective responses to my customers.”

–Comcast/Xfinity Customer

“High-speed internet access is absolutely crucial for my small business because it enables efficient communication, collaboration, and access to essential online tools and resources. It helps us improve customer satisfaction and stay competitive in the digital age.”

–Comcast/Xfinity Customer

“I changed services when the old service was not reliable and put a temporary stop to being able to conduct business.”

–Spectrum Customer

“I do everything on my computer and need reliable service.”

–T-Mobile Customer

# 80%

of SMB sellers surveyed would switch providers if a faster option were available

verizon

xfinity

T-Mobile

AT&T

Spectrum

COX

STARLINK

Viasat

Rise Broadband

NEXTLINK  
INTERNET & PHONE

LUMEN

uscellular

CenturyLink

*In a sentence or two, why is high-speed internet access important for your business?*

# HOW & WHY: SMBS CONNECT TO PHONE SERVICES

SMALL BUSINESSES USE RELIABLE, AFFORDABLE PHONE SERVICE PROVIDERS WITH GOOD COVERAGE TO REACH EMPLOYEES AND CUSTOMERS.

“We do a lot online, but need a phone service to touch base with our more traditional customers who are not so much into technology.”

–Verizon Customer

“They are inexpensive, they use major internet provider towers and they provide great customer service.”

–Consumer Cellular Customer

“What makes T-Mobile so valuable to our business is that they are reliable and we don’t have to worry about any dropped calls or missed calls, etc. Also, we bundle our business phone and internet services so we get a great deal and it’s an amazing value for the money.”

–T-Mobile Customer



“I can use my phone while traveling abroad and still keep in touch with my staff and customers whenever needed.”

–AT&T Customer

“I like using Google Voice for my business because I feel they are widely acceptable and have a better connection overall.”

–Google Voice Customer

**51%**  
of SMB sellers surveyed  
bundle their business  
internet and phone service

*In a sentence or two, what about the phone service provider you use makes them so valuable to your business?*



# METHODS

For this edition of *THE PULSE*, the Data Catalyst Institute (DCI) surveyed via email our exclusive panel of owners and senior decision-makers at small and medium-sized businesses (SMB) that sell physical goods. The survey was open from October 12-16, 2024. DCI contacted 1,068 people and 162 responded, with 141 completing the entire questionnaire.

Panels are primarily for qualitative purposes and are voluntary in nature. While DCI does present quantitative information from the survey as directionally interesting, the findings are not necessarily nationally representative, as the sample size is relatively small and unweighted.

For more information, send an email to [editor@datacatalyst.org](mailto:editor@datacatalyst.org).



## About *THE PULSE* by DCI

*THE PULSE* is the Data Catalyst Institute's series that tracks sentiment and analyzes qualitative and quantitative data from key audiences. Topics covered include breaking news, the digital and innovation economy, and issues of strategic importance to government, business, and nonprofit leaders.

## About the Data Catalyst Institute (DCI)

You operate in a world in which data is the most important commodity, in which the digital realm has become more important than the physical one, in which disruption is the rule and not the exception. A world in which influencers must be understood, opinions and perceptions are being shaped, and innovation, market, and regulatory landscapes are constantly shifting. A world in which risks and opportunities seem obvious...until they aren't. And you have zero room for error.

In an era of global turbulence and uncertainty, professionals need access to multidisciplinary intelligence and expertise that helps them navigate significant technological, economic, political, and societal change. DCI analyses complex battles at the intersection of innovation, business, the law, and public opinion by synthesizing insights from original research and our unique community of academics, analysts, and practitioners. Leaders use DCI's intelligence and experts to "see around corners" when they need novel solutions to complex situations involving minimizing risk and maximizing opportunities.

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