



Media Release

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Telco plans not working for small business

New research from the Australian Communications Consumer Action Network ([ACCAN](#)) found that telecommunications packages for small businesses are not adequately aligning to small business needs in today's digital economy. The research report, [Informing Small Business](#), consists of a study examining the current small business market offerings and a survey of 200 small businesses to assess their behaviour and experiences. The report was funded by ACCAN and authored by [Market Clarity](#).

The recent massive shift toward a more mobile workforce has seen many small business operators blend their home and work lives together. They work on the go and would benefit from being able to access their broadband connections from locations other than their office, but many of the offerings are inflexible for those who have embraced the digital economy. Small businesses need a reliable internet connection to do business and therefore it's imperative that service faults be quickly resolved. However, the research found that for the most part service guarantees are not offered to small businesses. Around half of the small businesses surveyed said their phone and internet plans offered no service performance guarantees.

"A lot of the business plans offered by the telcos do not give small businesses any service guarantees and are quite similar to products offered to residential consumers," said ACCAN CEO, Teresa Corbin. "The dedicated business plans seem to just be 'empty products' that don't offer more value over and above residential consumer plans. The good news is that according to the study, these plans are comparably priced to residential consumer plans."

If available, in many cases customer service guarantees for small business plans were not easily located on telco websites and call centres provided contradictory information in relation to the terms and conditions available online.

Telcos argue that their small business services come with additional features that set them apart from a residential plan. However, the study raises questions for ACCAN about whether the business owner is able to access these features or if the call centre staff are adequately trained to offer the advertised higher levels of service to their customers. When asked whether they have access to a specialised small business call centre, 55 per cent of phone users and 67 per cent of broadband users surveyed said no or were unsure if they received this service from their telco.

"There's a definite need for telcos to invest in more staff training about small business products so they are able to better inform consumers of the services available and offer dedicated services for small businesses especially if this is what is being advertised to them. Information on small business plans needs to be readily available online so it's easily accessed by these consumers," added Ms Corbin.

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The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communications consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.

Documents that set out the terms and conditions of products were found to be very long and as many small business operators are time poor, they are unlikely to have time to read these.

For more information, contact Luke Sutton on luke.sutton@accan.org.au or 0409 966 931. For the latest updates, follow ACCAN on [Twitter](#) or like us on [Facebook](#).

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