

The number of new customers for broadband access is set to fall year on year

- The SME market, like all other sectors of the broadband access market, is heading rapidly towards its natural ceiling in terms of customer numbers. Market growth is already slowing as that ceiling is approached.
- Total Internet penetration (including narrowband Internet access) of all businesses ranges from around 90% to 98% in most Western European countries. By the end of 2011, broadband penetration of all businesses is expected to reach a comparable level, with only a few narrowband-only businesses remaining.

Figure 2: Proportion of SMEs with broadband access in major Western European markets, 2006–11 [Source: Analysys Research, 2007]

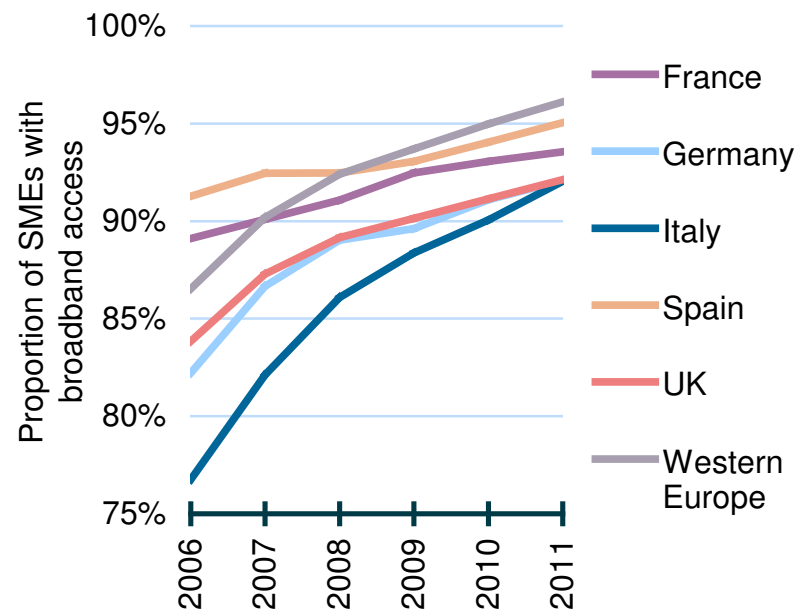
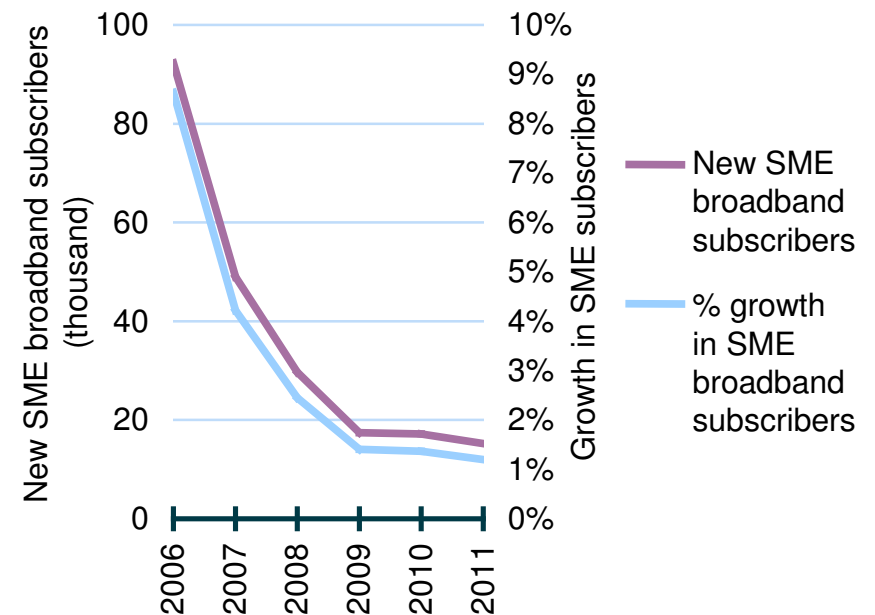
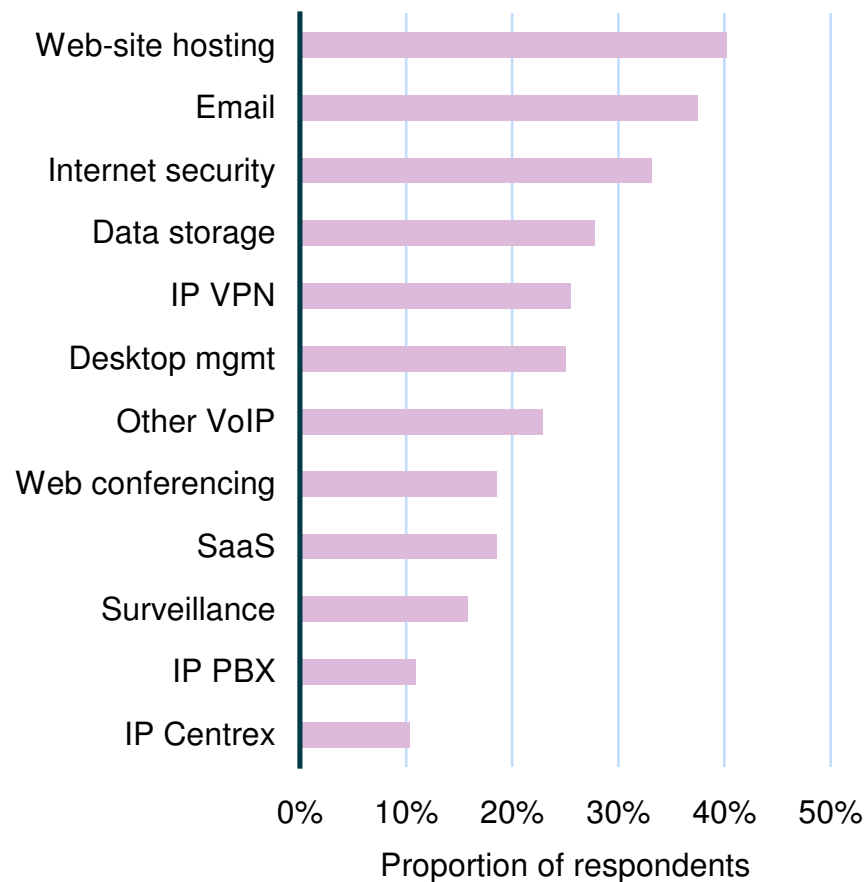


Figure 3: New SME broadband subscribers in Western Europe, 2006–11 [Source: Analysys Research, 2007]



SME demand for broadband managed services is evident

Figure 14: Proportion of surveyed SMEs using broadband managed services, by service type [Source: Analysys Research, 2007]



- Survey participants were asked to indicate which broadband managed services they were already using somewhere in their companies. (Usage did not have to be universal throughout a company for the response to be included in the survey results.)
- Usage of the broadband managed services covered by the survey ranged from 10% for IP Centrex to 40% for Web-site hosting.
- The survey results reflect the fact that broadband-enabled provision of remotely managed IT services, such as Internet security, data storage, desktop management and SaaS, has already achieved a significant level of penetration among SMEs.