Abzorb Education Survey

What matters when choosing a telecoms supplier?

Background:

Today communications and telecom services are critical to how a school, college or university operates. From traditional and fixed IP voice services, broadband and Ethernet WAN Internet and cloud connectivity to mobile and remote always on connectivity for teaching and administrative staff. Voice, video and data services are critical elements in delivering the education curriculum and the day-to-day running of such establishments.

The Department for Education highlights key areas where technology and communications can play a pivotal role in how schools and colleges operate:

- **Administrative processes** – reducing the burden of 'non-teaching' tasks.
- **Assessment processes** – making assessments more effective, available and efficient.
- **Teaching practices** – supporting access, inclusion and improved educational outcomes for all.
- **Continuing professional development** – supporting teachers, lecturers and education leaders so they can develop more flexibly.
- **Learning throughout life** – supporting decisions about work or further study and helping those who are not in the formal education system gain new skills

What is clear is that every single one of these educational and technical goals are reliant on a school, college or university making the right telecoms decisions. Data and voice connectivity are critical to how a modern school operates and will be increasingly dependent on in the future for all aspects of their operations especially with an increasing dependency on cloud-based business processes and teaching practices.

Survey Methodology

The education sector is becoming increasingly dependent on telecommunications. Technology is now a key focus for the Department for Education. Given our continued appointment to the Crown Commercial Services framework as a trusted supplier, we conducted a survey to identify and understand the decision-making criteria and drivers in the Education Sector.

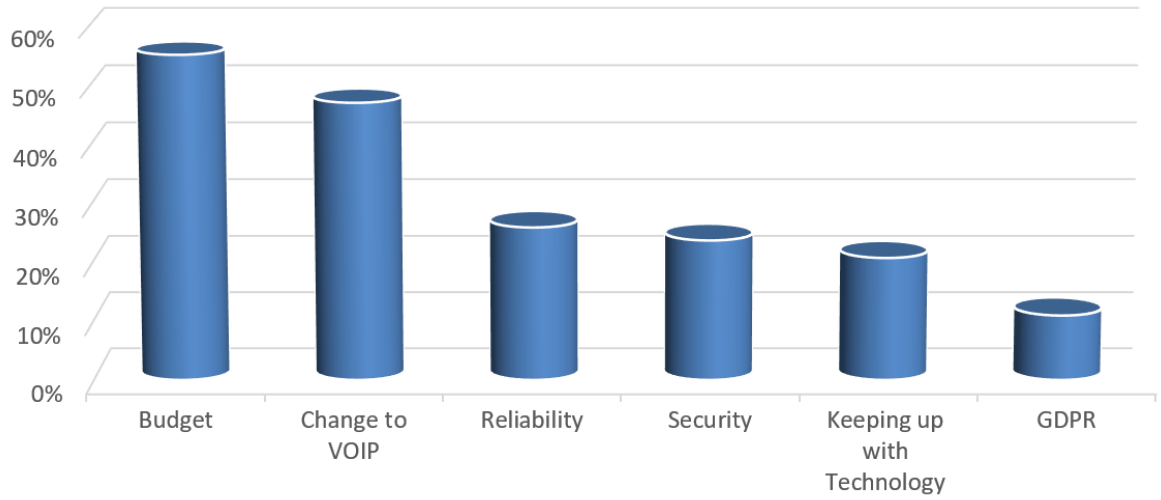
We identified over 100 schools and higher education establishments with a view to identifying their critical requirements and buying criteria when selecting a communication service supplier. Survey replies were received from primary, junior and secondary schools, Colleges of Higher Education and universities. Respondents were collected from a variety of staff including Business/Operations Managers, Directors, IT Managers and Headteachers. The information was collected by telephone interview and written questionnaire.

Key Survey Findings:

Budget remains the biggest challenge

After years of austerity, it comes as little surprise that most schools and colleges rate budgetary spend as their biggest challenge for communications investment over the next 12 months, as well as across the whole spending remit.

Figure1: What do you see as your biggest IT/Communications challenges for 2020



Over half of the respondents recognise budget constraints as one of their key factors in choosing a service provider partner. So, with budgetary spend being one of the key decision criteria, it was interesting to see where education bodies were enabling cost savings.

Whilst cost savings can be found in both CAPEX and OPEX spend, only one key factor was prevalent across the board, a single supplier for universal telecommunication services. In fact, over 40% of respondents stated that buying multiple services including Broadband, Leased Lines, Voice (traditional or VoIP) and mobile from the same supplier reduces their monthly costs as well as making them more efficient with a single support and consultancy.

The majority of respondents buy more than one service from the same service provider, with Abzorb education customers purchasing on average 2 to 3 services, usually a data solution, voice and/or mobile.

Not surprisingly, nearly 80% of schools partnered with Abzorb stated they experienced greater cost savings by purchasing multiple services from us as a universal communication provider. Just under half of the respondents stipulated that this has delivered cost efficiencies.

Voice over IP (VoIP) challenge for education providers in 2020

BT's imminent plan to switch off the PSTN and ISDN networks by 2025 (with an even shorter time limit of 2020 for accepting new orders) and the move to VoIP telephony are the main technical challenges schools, colleges and universities are facing when it comes to telecommunications .

More detailed responses were collated via telephone interview or in the 'Further details' section of the questionnaire. Many respondents appeared unsure as to what options are available to them with this imminent change to the delivery of fixed line voice services, but at least they are aware of the issue and the need to find a long-term solution.

Other respondents are seeking further support to understand if their existing telephony switch can be upgraded to meet a non-ISDN world whilst an even larger number seek to understand the cost benefits or penalties to move to a complete VoIP cloud hosted solution.

From a functionality perspective, some are keen to understand what a VoIP solution can offer above a PBX solution, whilst a significant number still want the same functionality that they have always used. What they all seem to agree upon is that they don't want additional complexity and confusing or surprising extra software costs/bills.

A respected, reliable and trustworthy consultative service partner seems key to their future decision-making criteria.

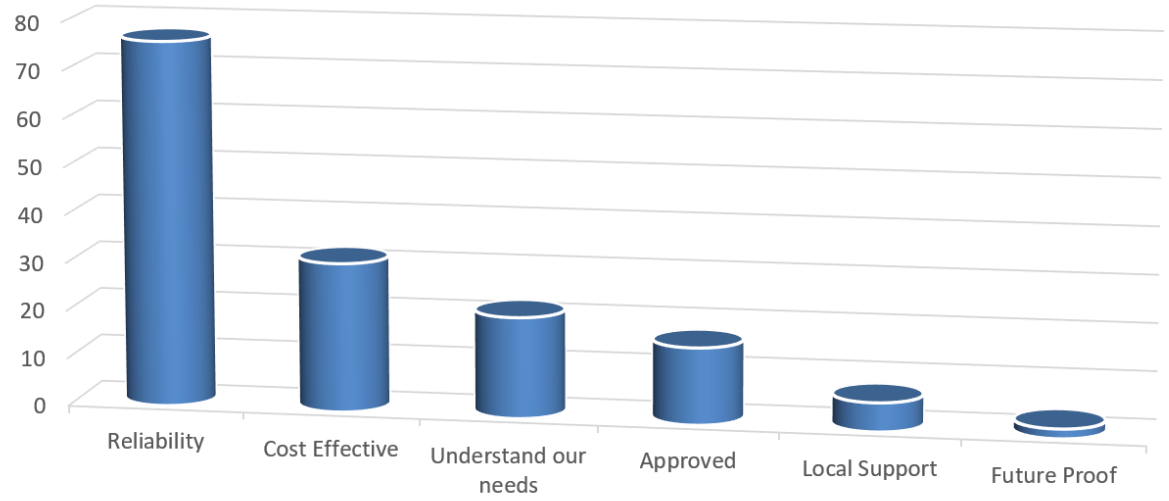
Service Reliability versus Supplier Reliability

Once again it came as little of a surprise that reliability is the most important factor for a school or college when choosing a service provider. As we can see in figure 2, 62 % prioritized reliability as one of the top two most critical factors when selecting their partner. 'Being cost effective' and 'understanding their communication needs' were also the prevalent rated priorities. Other key purchasing factors were, 'future proof, local support, accreditation and approved supplier status.'

What was interesting was that 'accreditation and references' scored low. The Crown Commercial Service (CCS) brings significant benefits to the education sector, namely eliminating the need for major research for viable approved suppliers. Buying from the CCS framework can be quicker and easier than getting your own bids or quotes because the agreements:

- Have already been through a full competitive tender process
- Have been quality checked
- Are checked to make sure they comply with the law
- May have draft specifications and help available

Figure 2: What is most Important to you when choosing a service provider?

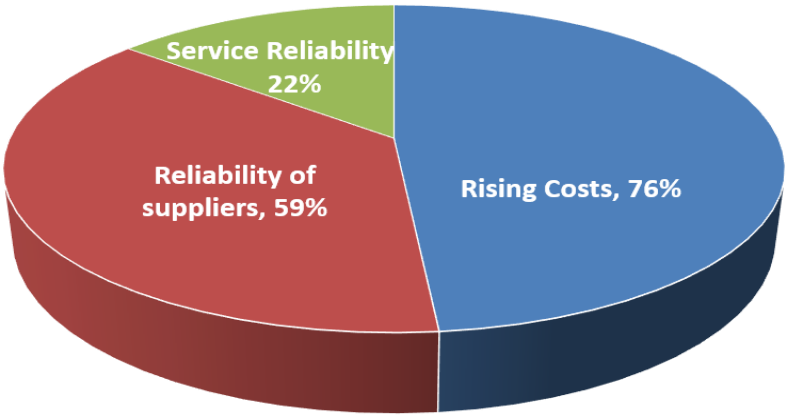


Note: % figures based on those that saw the category as a top 2 priority

One of the most surprising findings was that respondents regarded 'service reliability' and 'reliability of their service supplier' as two different criteria with a differing level of importance.

Figure 3 shows that when asked about their biggest challenges when choosing the right service provider, nearly 3 times more respondents considered that the reliability of the service provider was more important than the reliability of the service itself.

Figure 3: Biggest challenges as an education establishment when choosing the right service provider



Those who responded in further detail highlighted that it is inevitable that once in a while a communication service will be disrupted (voice, mobile or Internet/Cloud connectivity) what is critical for education establishments is that their service provider is quick to respond, provides regular updates and warnings and offers credible alternatives when disruption affects the business. The following were regarded as particular areas of concern when it came to reliability: speaking to a human who understands their network, direct line contact to engineers and support staff 24/7.

A number of respondents considered rising costs and reliability to be inextricably linked. Regular service reviews (in and out of contract) to establish whether they were on the most cost effective and appropriate service, instead of an ever-increasing bill and also to explore higher speed and functionality options were regarded as key service elements by respondents.

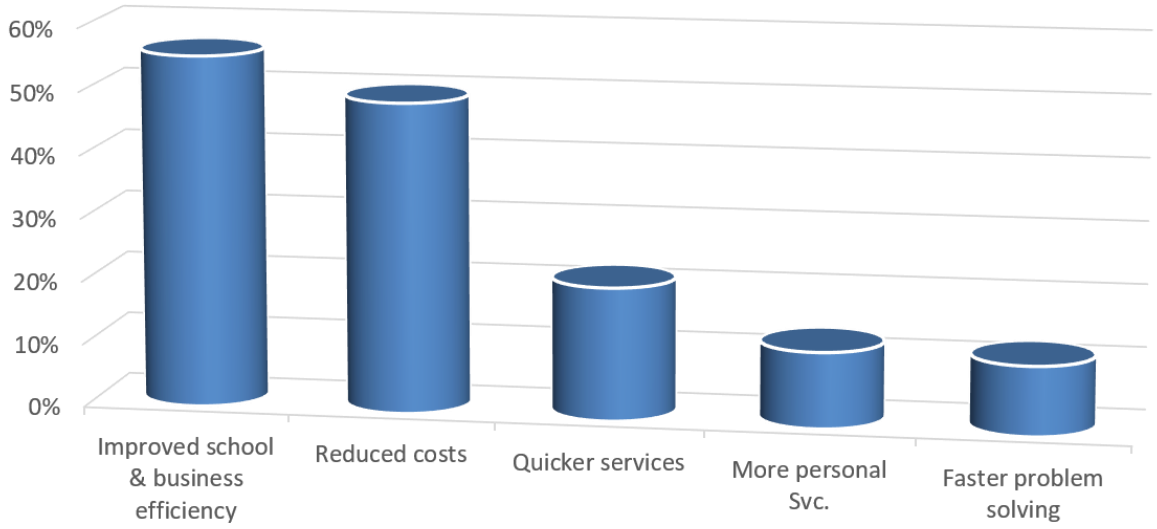
Rising costs is an interesting challenge. Over the last 5 years there has been a decline in average revenue per service. This is especially evident when a school or higher education institution acquire more than one service from Abzorb. We predict this to increase as many establishments move towards hosted VoIP and merge their data WAN and voice WAN There may be a growth in utilizing shared mobile tariffs across individual user services, with alert systems such as our inherent caps service limiting any over spend.

The Universal Communications Impact

We asked education establishments who currently partner with Abzorb to explain how working with us has had an impact on their business.

Over 90% of Abzorb customers in the education survey claimed that the ability to combine multiple telecommunication technologies to provide one solution provided either improved efficiencies and/or reduced costs. This is a trend we see across all sectors. In fact, we are proud to be told by every single Abzorb education partner responding to the survey that they would recommend us to their peers.

Figure 4: What benefits have partnering with a universal communications provider such as Abzorb made?



In addition, 88% of all education survey responders claimed that their telecommunication supplier was a critical supplier and was a vital component in delivering the education curriculum.

Leased Lines still favoured WAN technology compared to business broadband

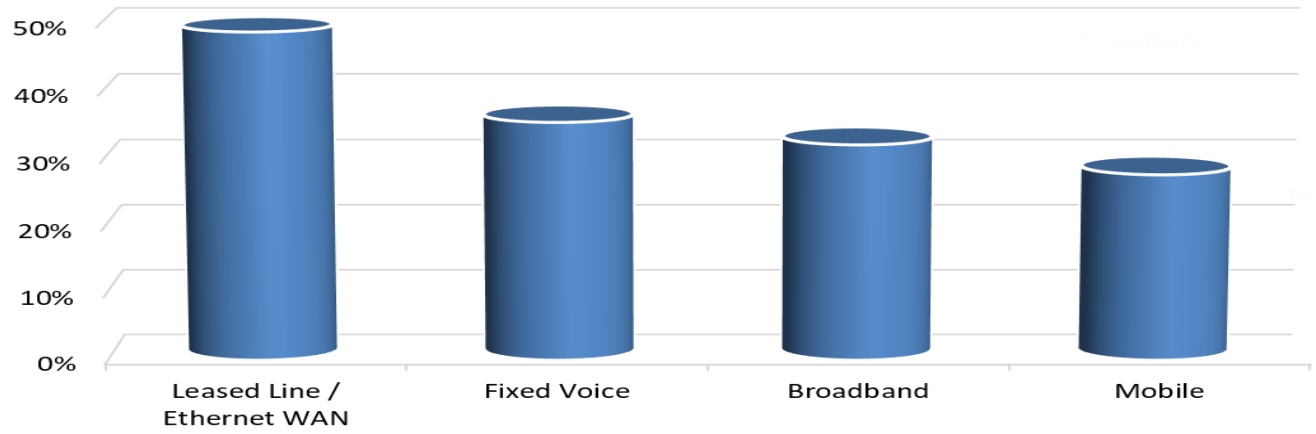
Amongst schools and colleges there was a pretty much even split of which services they acquired from Abzorb between Mobile, Fixed voice, broadband and Leased Lines. Most of the school respondents utilized leased Ethernet Wan for connectivity versus broadband. With the ever-increasing availability of fibre broadband, especially FTTP we do envision this changing over the coming 2 – 3 years. Around half of Abzorb's education customers utilize leased lines compared to around a third who utilize broadband for their internet and cloud connectivity.

When asked what services do they utilize with their main telecoms supplier the results suggested two key areas for analysis:

- What an education establishment envisions as its main telecom service,
- How leased Line cloud and internet connectivity is still dominant for schools compared to broadband.

As per Figure 5 it appears that the education sector perceives data connectivity to be the main telecom service. Combined circa 85% of respondents view data services as part of their main telecom service. This undoubtedly going to only increase when voice services are also reliant on the appropriate IP connection.

Figure 5: What services do you utilize from your main service provider?



Within respondents from schools and colleges there was a strong tendency to purchase multiple services from their main service provider. The majority of larger education bodies such as Universities with their own large I.T. and communication departments still buy multiple services from a single main provider but were the more likely to have multiple providers and separate providers for individual telecom needs.

Of those service providers partnering with Abzorb there was a strong trend of having one or more other telecoms services with their data connection. Especially those with faster speed data connections (leased lines and FTTP) where over three quarters of those education bodies buy additional voice and mobile services with their data connectivity.

Summary

Predictably, reliability and budget/cost savings are the biggest drivers in the education sector when deciding upon a communications provider. What is encouraging is that trends are already being seen within the sector to support these demands. Multi-service or universal communication providers are proving to be a favoured approach for schools, colleges and universities, allowing them to address rising costs whilst at the same time increasing supplier reliability and support.

Whilst the challenge of moving towards pure IP or IP transit for fixed voice needs to be resolved over the next 3-5 years, there is a viable opportunity to reduce telecoms spend by converging data and voice in to a single WAN, giving them the option to increase control, features and supplier reliability. Simple IP cards and SIP trunk connectivity are now proven to be reliable and cost effective. Similarly, hosted IP Voice is now mainstream with SLAs and can prove even more cost effective when eliminating the need to implement a new onsite voice switch or PBX.

The good news is that the increased rollout of fibre broadband which in turn provides a more competitive market for ethernet WAN are giving the education sector more commercially viable solutions and choice. Enabling options to increase bandwidth at limited or no extra cost and consolidating their voice and data on a single network which eliminates the need for high cost PSTN and ISDN fixed lines.

The challenge for the education sector appears to be finding service providers who can deliver the reliability and cost savings whilst at the same time delivering the technological guidelines specified by the Department for Education.

Abzorb has always followed the goal to provide a consultative and unbiased approach whilst offering a single bill for multiple services from Cloud and Internet connectivity, fixed voice services (onsite or cloud hosted) and mobile. We are proud to be recognized for this approach by being selected in 7 separate categories by the CCS framework. Assuring education sector of a competitive cost, reliable service and proven technology and support.