



Connectivity is driving local economic growth and supporting local small businesses

- There is a direct relationship between good mobile connectivity and economic growth.
- Small businesses in particular rely on the mobile network to conduct their work, and consumers increasingly use their mobile devices to source local goods and services.
- Policy-makers can take action – often without resource implications – to improve local mobile connectivity by working in partnership with local businesses and the network operators.

Businesses are more reliant than ever on their mobile network. Ofcom reports that 95 percent of UK adults own a mobile and that this is now the most popular way of sourcing business services online. Good mobile network coverage is a core component of a neighbourhood's business and economic development, and there is an opportunity for local and regional policy-makers to promote an area as a mobile hot-spot by taking tangible steps to facilitate better mobile coverage. Improved mobile connectivity is a concrete way that councils can demonstrate their attractiveness to SME entrepreneurs.

An area with poor mobile network reception is less attractive both to businesses directly, and to the residents and consumers that businesses target. Small businesses and start-ups are particularly reliant on the mobile network for payment systems, customers locating their services, and the working practices of many employees – especially those on the move. In their 2017 research report, *The SME experience of communications services*, Ofcom found that more than 8 in 10 SMEs describe mobile as 'fundamental' to their business.

Payment systems that use the mobile network, such as Android Pay and ApplePay, are rapidly becoming the card payment method of choice for micro-businesses and market traders. Some SMEs

are able to operate all their digital communication needs through the mobile network, thereby saving them fixed-line broadband connection costs. Services like iZettle, Square Register and other payment systems allow consumers to conduct almost all business interactions through their phones and notebooks, generating sales for large companies and small traders alike.

According to a report by AT Kearney, e-commerce accounts for over 3 percent of the total UK economy, and the contribution of internet to business is worth at least £82 billion.

8 out of 10 describe mobile as fundamental to their business



Source: Ofcom

Increasingly, consumers are using their mobile devices to source and compare local businesses, goods and services. A 2015 Ofcom report showed that smartphones have replaced other computers as the most popular device for accessing online content. The report stated that the availability of 4G mobile broadband was a key driver of this change. Some 37 million adults in the UK have a smartphone, and on average smartphone owners spend two hours online on their phone, which is double the amount spent on laptops or PCs.

The UK government has recognised the link between mobile connectivity and its digital inclusion agenda. Complementing the extensive investments that the mobile network operators have made since the introduction of 4G technology – amounting to £2bn every year – the 2010-15 Coalition government invested £150m to improve the quality and coverage of mobile phone voice and data services, and the 2016 Autumn Statement announced over £1bn for mobile and internet upgrades. The May 2017 Conservative general election manifesto meanwhile includes a promise of £740m for digital infrastructure investment.

But central spending alone cannot solve the UK's mobile challenges. Local action is needed, which is why Mobile Britain has launched its new Building Mobile Britain campaign to get local authorities, mobile network operators, central government and other players working together to take action.

Local authorities can greatly improve their local connectivity and drive local economic growth by:

- Improving access to public assets for mobile providers
- Abolishing planning controls for small equipment installations
- Requesting that developers and planners consider mobile connectivity at the beginning of a project
- Explicitly supporting the Mobile UK campaign, Building Mobile Britain, including in local development plans
- Partnering with mobile providers to trial new methods of extending mobile coverage
- Promoting the use of mobile-friendly materials in construction projects and creating local digital or connectivity champions.

Mobile UK is the trade association for the UK's mobile network operators – EE, O2, Three and Vodafone.

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