

# **THE UCLA INTERNET REPORT: SURVEYING THE DIGITAL FUTURE**

*The UCLA Internet report: Surveying the digital future*, published by the UCLA Center for Communication Policy, <http://www.ccp.ucla.edu>.

## **Purpose**

The Internet represents "the most important technological development of our generation." In this regard, it is similar to the advent of television. The objective of this report is to capitalize on the opportunity that was missed as television evolved. The goal of the report was to explore how the Internet influences social, political, cultural, and economic behavior and ideas.

## **Method**

The report was the result of more than nine months of research, data collection, and analysis.

- N = 2,096 households
- Method = interview. The study is longitudinal (i.e., the same users will be contacted each year).
- Sample Selection: selected using a random digit dial (RDD) telephone selection where every telephone number in the U.S. is equally likely to be selected. Once selected, households were contacted through mail and then interviewed in person.
- The sample was compared to census data to ensure that the sample was representative of the U.S. population in terms of geographical distribution, race, ethnicity, age, sex, education, and income. The data was found to be slightly skewed in that the under-educated were less represented, so the data was weighted by education to correct for this.

## **Why a Comprehensive Report on the Internet?**

- Unlike other surveys that focus on who is online and what they do while online, the UCLA Internet Report is the first project that comprehensively tracks shifts in a wide range behavior, attitudes, values, and perceptions.
- Other surveys are cross-sectional; this survey is longitudinal.
- The survey, through the auspices of the World Internet Project, is worldwide. This year's budget focuses on seven countries, while next year it will expand to an additional fifteen countries.
- The survey was planned in conjunction with government and private industry (e.g., Microsoft, AOL, Sony, Pac Bell, Disney).

## **Preview**

The report focuses on five main areas:

1. Internet use and non-use: who is online, who is not, and what are users doing online?
2. Media use and trust
3. Consumer behavior
4. Communication patterns
5. Social and psychological effects

## THE INTERNET: THE DEFINING TECHNOLOGY OF A GENERATION

### Growth

- The Internet is the world's fastest-growing electronic communication tool. By 1997, 19 million Americans were using the Internet; by 1999, the number had passed 100 million. Even now, the Internet gains roughly 55,000 new users each day.
- Press coverage of the Internet has also exploded. In 1990, there were only 346 appearances of the word "Internet" in press coverage. In the first 9 months of 2000, there were over 700,000 appearances of the word.
- The capacity of the Internet proceeds likewise, with the Internet's capacity to carry information doubling every 100 days. There are now over 1 billion documents on the web, a number that grows by more than 3 million every day.
- Use of these documents is also growing. Collectively, there are over one billion "hits" per day on the Internet.
- Email use jumped 84 percent in 1999. There are almost 570 electronic mailboxes worldwide. While the U.S. post office delivered 101 billion pieces of paper mail in 1998, an estimated 4 trillion email messages were delivered that year.

### Comparison

- *Electricity*: from the time electricity became available, it took 46 years for 30% of American homes to be wired with electricity.
- *Telephone*: it took 38 years before the telephone reached 30% of U.S. households.
- *Television*: it took 17 years for television to reach 30% of households.
- *Internet*: it took *seven years* to reach 30% of U.S. households.

### Quick Statistics

- **Access**: more than 2/3 of Americans have some access to the Internet, and 41% of non-users say they are likely to access the Internet in the next year.
- **Household**: The Internet is often a shared household activity, with 47% of users spending at least some time each week using the Internet with other household members.
- **People Contact**: Using the Internet does not appear to decrease the amount of time people spend at home or with each other. In fact, many respondents say the Internet has increased contacts with family and others.
- **Popular Activities**: the most popular Internet activities are surfing, email, hobby information, news, and entertainment.
- **Consumer**: more than half of Internet users have purchased something online. Still, less than 5% of Internet users are responsible for over 30% of online purchases. Online shoppers cite convenience, timesaving, and informational aspects as positives. Online purchasing does appear to decrease purchases from retail stores.
- **Email**: 42% of Americans use email daily, making it the most fundamental communication tool in America.
- **Television**: Internet users watch 28% less television than non-Internet users, but spend about the same amount of time reading and talking on the telephone. The Internet is rated higher than television or radio as an information source.
- **Reliability**: only about half of Internet users believe that most or all online information is reliable and accurate.
- **Problems**: privacy is the subject that raises the greatest concern for most Internet users; e.g., nearly half say their email and web use are monitored by employers, and concerns

about privacy and credit card security keep many people from shopping online. People are also concerned that inappropriate material is accessible by children.

- **Friends:** the Internet is a new source of social contact, with many people meeting each other online and making friends they know only through the Internet.

## INTERNET USE AND ACCESS

Percentage of Americans who use the Internet: 67%

### Where?

- Use at home: 47%
- Use at work: 42%
- Students who use the Internet at school: 55%
- Use at friends' or relatives' homes: 20%
- Use at public libraries: 10%
- Elsewhere: 2%
- For users under 18, home = 38%, school=19%, friends/relatives = 18%.

### Demographics

- **Education:** the higher the education level, the more likely a person is to use the Internet (53 of high school educated persons vs. 86% of those with undergraduate degrees or higher).
- **Income:** the higher the income, the higher the proportion of those who use the Internet (60% of \$15-49k vs. 80% of those with \$50k or higher incomes).
- **Gender:** in general, men have greater access and spend more time online. However, the 12-15 and 46-55 age categories boast more women than men.
- **Age:** access to the Internet is stable at 70-90% until age 55%, when it begins to decline . Between ages 12-35, average weekly Internet connect time increases with age (mostly due to access at work).
- **Politics:** there is little difference in the political affiliations of Internet users vs. non-users, although slightly more users report themselves liberal and slightly more non-users report themselves as conservative.
- **Internet Experience:** Internet "newbies" spend more time playing games and pursuing hobbies, while Internet veterans spend more time working at home, reading news, trading stocks and making investments. Experienced users spend more time online (16.2 hours per week vs. 6.1 hours per week).
- **Dropouts**---10% of Internet non-users are Internet "dropouts"; i.e., were once online users but now are not.

### The Top Ten Internet Activities

1. Web surfing: 82%
2. Email: 82%
3. Finding hobby information: 57%
4. Reading news: 57%
5. Finding entertainment online: 54%
6. Buying online: 51%
7. Finding travel information: 46%
8. Using instant messaging: 40%
9. Finding medical information: 37%
10. Playing games: 33%

## **Views About the Internet**

- 66% of users and 49% of non-users believe new communications technologies including the Internet have made the world a better place.
- Most users are satisfied with the Internet, with lower satisfaction only for the speed of their connection and the difficulty of finding information online.

## **Why Aren't You Online?**

- 40% of non-users say their biggest barrier to access is that they don't own a computer (however, 17% say they would not purchase at any price).
- 33% of non-users say they're "just not interested."
- 19% say they "don't know how to use it."
- 9% say it's "too expensive."

## **Email**

76% of users check their email at least once per day, and 29% check it several times a day. Since 66% of Americans use the Internet, that means 42% of all Americans check email at least once each day.

## **Children**

- 89% of adults say that children in their households spend either "too little time" online or "about the right amount of time" online. Only 54% of adults say the same about television.
- 11% say their children spend too much time online, vs. 49% who say their children spend too much time watching television.
- The grades of most children have stayed the same since they began using the Internet, while 26% say their kids' grades have gone up and 3% say their kids' grades have declined.
- 93% of respondents say that since acquiring the Internet, their children spend about the same amount of time or more with friends.
- About a third of adults use filtering software, 66% require children to ask permission before logging on, 66% limit children's hours on the Internet, and 88% "keep an eye" on how their children are using the Internet.

## **Household**

- Nearly half of Internet users spend some time each week using the Internet with other household members.
- Three quarters say they don't feel ignored because another family member is using the Internet too much (in contrast, 63% say they feel ignored because another household member spends too much time watching television).
- 92% say that since acquiring the Internet, members of their household spend about the same amount of time together or spend even more time together.
- About 31% of adults use denial of access to the Internet as a punishment for children.

## **Sources of Information**

- Among Internet users, the Internet ranks third as a source of information, with books and newspapers ranked first and second.
- While Internet users watch less television and listen to less radio than non-Internet users, they appear to consume slightly *more* books, newspapers, and magazines than non-Internet users.

### **Online Contacts and Friendships**

- For most respondents, use of the Internet has not cut them off from society; in fact, they say the Internet has had modestly positive impacts on increasing communication with family, friends, colleagues, and people who share their religious and/or political beliefs.
- 12% have met someone online whom they subsequently met in person, and these users average 6 new in-person friendships that originated on the Internet.
- More than one quarter of Internet users say they have online friends they have never met in person.

### **Effects on Socializing, Exercise, and Sleep**

- Internet users socialize slightly less with members of the household but spend slightly more time with clubs and volunteer organizations. They have about the same number of friends outside their households (12).
- Internet users are slightly more likely to report that they exercise.
- Internet users do not appear to forego sleep to use the Internet, spending about the same number of hours per week in sleep as non-users.

### **Values**

- Internet users vs. non-users report roughly the same emphases on various personal values (e.g., making money, volunteering) and questions about family sharing and involvement. They have roughly the same amount of confidence in various institutions (though they report slightly higher confidence in the Internet and in science).
- Non-users report slightly higher levels of life dissatisfaction, anxiety in interactions, powerlessness, and loneliness.

## **THE INTERNET AT WORK**

### **What Do They Access?**

- 84% of employees use the Internet to access business-related web sites.
- 80% of employees use the Internet to access business email.
- 52% use it to access personal email.
- 51% use it to access web sites for personal use.

### **Productivity**

- 57% say use of the Internet makes them more productive, and another 39% say it has no effect on their productivity.
- Still, more than half say their use of the web is monitored by employers, and nearly half say their use of email is monitored.

### **Using the Internet at Home for Work**

"Heavy" Internet users (those who spend 7-14 hours per week online) average nearly two hours of Internet access from home that is devoted to work; "very heavy" Internet users (14+ hours per week online) average about three and a half hours.

## **SHOPPING ON THE INTERNET**

- More than half of Internet users have purchased something online; 29% buy online monthly and 9% buy online weekly.
- The average amount spent on online purchases is \$113 per month (and 3.5% spend over \$500 per month online).
- Gender: 57% of male users purchase online vs. 45% of female users.

- The more experience with the Internet a user has, the more likely he/she is to purchase online.
- The more education a user has, the more likely he/she is to purchase online.
- The higher his/her income, the more likely a person is to make online purchases.
- The only demographic variable that affects how often someone buys online is the number of hours spent online.
- The more shopping a person does online, or the more money they spend online, the more positive his/her views about online shopping.
- More than half of Internet users say they will eventually make many purchases online.
- 80% of persons are satisfied with the quality of products they buy online.
- A small group of purchasers (4.5%) is responsible for a disproportionate amount of Internet spending (31%).
- Most people don't believe prices are lower on the Internet.
- The Internet often serves as a browsing catalog that complements rather than replaces traditional shopping; however, the reverse also happens (people browse products in stores before purchasing online).
- The more users buy online, the more they shift away from traditional retail.

### **Stocks**

Three quarters of the people who buy and sell securities have Internet access.

People with Internet access make 2.4 times more trades per year.

Internet users already make about 13 of their trades online.

### **Top Five Reasons Why People Shop on the Internet**

1. Convenience
2. Saves Time
3. Availability of Information
4. Ease of Finding Product
5. Ability to Compare Prices

### **Top Five Reasons Why People *Don't* Shop Online**

1. Concerns about privacy of personal data
2. Shipping charges
3. Ease of returning product
4. Difficult to access product
5. Product damage

### **Credit Card Security**

91% of Internet users express concerns over credit card security in online purchasing (though these concerns tend to decline as Internet experience increases).