The Fastest Online Get Busier While The Rest Get Left Behind

Dan Ness, Principal Analyst, MetaFacts, February 18, 2005

Broad public awareness about the Digital Divide was only a warm-up drill – a substantial group of Americans are now being left even further behind. While the growing economic and educational divide get lots of coverage, less attention has been given to the implications of the growing rift between the fast-connected and slow-connected. Furthermore, broadband adoption has stalled among the heaviest online users.

Why is this important?

Product planners, technologists, consumer marketers, governments, and even pollsters that imagine that all Internet users are high-speed and equal are missing the mark. The very people they are trying to reach with rich, streaming music or video content are a subset of the market and while growing in numbers, have dropped as a percent of those online. While broadband-attached users are increasing their time online, the ranks of dial-up users have swelled and are spending less time online. Internet users without fast, persistent connections might even pull the plug out of frustration.

According to the current edition of Technology User Profile, the longest-running large-scale technology survey conducted in the U.S., this year marks the first time in recent history that more than two-thirds (66.9%) of home Internet users with broadband connections spent 11 or more hours online per week. This is up from 62.9% in 2003. Also, heavy users have increased their hours online, rising from 34.8% of home PCs in 2003 to 38.5% in 2004. The study surveyed 10,418 computer users and asked them how many hours they spent actively on the Internet during a typical week at home.

This may appear to be rosy news for broadband providers, validating that users like what they see and therefore increase their usage. However, not all of the news is positive.

Light users, those with less than 11 hours online per week, have precipitously declining broadband adoption rates, dropping from 30.2% in 2003 to less than a quarter (24.2%) in 2004. At this point, this is due more to the entrance of new users that typically don't spend as much time online and that don't start with broadband connections, than being due to broadband users pulling the plug.

By comparison, moderate users (11 or more hours per week) and heavy users (21 or more hours per week) had flat broadband adoption rates. Moderate users remained flat with 46.9% having broadband in 2003 and 46.4% in 2004. Broadband adoption by heavy users was also flat, with 51.5% in 2003 and 51.6% in 2004. So, it is not as if the heaviest dial-up users are making the move to broadband.

Other factors at play are multiple-PC households, wireless networks, and the growing adoption of computer and online use by ever-younger users.

Home / Family PCs by Hours Online

	2003	2004	year/year difference
% of Projected Installed Home/Family PCs actively online 11 or more hours per week	52.2%	51.3%	-0.9%
% of Projected Installed Home/Family PCs actively online 21 or more hours per week	26.3%	26.6%	0.3%
% of Projected Installed Home/Family PCs with broadband/Hi-Bandwidth connections and actively online 11 or more hours per week	63.1%	66.9%	3.8%
% of Projected Installed Home/Family PCs with broadband/Hi-Bandwidth connections and actively online 21 or more hours per week	34.8%	38.5%	3.7%

Source: MetaFacts, Inc. – Technology User Profile – 2003 and 2004 Annual Edition

This mixed news may come as a shock to those that believe that everyone is high-bandwidth like them. It means that further shocks may crop up when those expecting nothing but growth find that they face declining numbers. Identifying those segments that are at risk of reducing their use and catering to their unique needs may help avoid such declines.

Background & Methodology

Factual, decision-making information like this is only found in one place, the Technology User Profile from MetaFacts. The Technology User Profile market research information service is based on extensive primary research selected and balanced to represent the American population - including technology users and non-technology users. Drawn from more than 30,000 surveys per year reporting on over 250 questions, it is the most comprehensive total market technology study available. TUPdates are brief summaries of information contained in the Technology User Profile.

Links to Source Data

Current Technology User Profile subscribers may be interested in the following links with related, more detailed or updated information:

Hours Actively on Internet per Week (Home/Family)
TUP 2004 Annual Edition (Excel)
TUP 2004 Annual Edition (pdf)
TUP 2003 Annual Edition (Excel)
TUP 2003 Annual Edition (pdf)
TUP 2002 Annual Edition (Excel)
TUP 2002 Annual Edition (pdf)

Activities for which PC is Regularly Used (Home/Family)
TUP 2004 Annual Edition (Excel)
TUP 2004 Annual Edition (pdf)

Online Internet Activities (Home/Family)
TUP 2004 Annual Edition (Excel)
TUP 2004 Annual Edition (pdf)

Annual Household Income (Household-Home/Family)
TUP 2004 Annual Edition (Excel)
TUP 2004 Annual Edition (pdf)

Highest Education Level (Household-Home/Family)
TUP 2004 Annual Edition (Excel)
TUP 2004 Annual Edition (pdf)

Age/Gender of Users (Household-Home/Family)
TUP 2004 Annual Edition (Excel)
TUP 2004 Annual Edition (pdf)

Links to TUP Online Store

If you are not a current Technology User Profile subscriber, and wish to obtain the source data or related information used in this TUPdate, please follow this link to the TUP Online Store.

Other Resources

Current Technology User Profile subscribers may be interested in the following links with related, more detailed or updated information:

Activities for which PC is Regularly Used (Home/Family)
TUP 2003 Annual Edition (Excel)
TUP 2003 Annual Edition (pdf)
TUP 2002 Annual Edition (Excel)
TUP 2002 Annual Edition (pdf)

Online Internet Activities (Home/Family)
TUP 2003 Annual Edition (Excel)
TUP 2003 Annual Edition (pdf)
TUP 2002 Annual Edition (Excel)
TUP 2002 Annual Edition (pdf)

Annual Household Income (Household-Home/Family)
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Age/Gender of Users (Household-Home/Family)
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TUP 2003 Annual Edition (pdf)
TUP 2002 Annual Edition (Excel)
TUP 2002 Annual Edition (pdf)

TUP - Profile Reports - Coming Soon

Technology User Profile - Profile Reports offer impactful analysis based on solid research data of a specific market segment or technology. Each edition taps into the 25,000+ nationally-representative surveys in each Technology User Profile edition.

In the **Broadband Households Profile Report**, you'll find details on buying habits, usage and plans in a variety of categories, and zero in on the key information you need to answer questions. To obtain more information on this upcoming profile report, please follow this link to the TUP - Profile Reports - Coming Soon.

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