

AMERICA ONLINE/ROPERASW CYBERSTUDY **2002**



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Introduction

The America Online/RoperASW Cyberstudy 2002 marks the fifth anniversary of the landmark research examining the impact of online and Internet use on people's everyday lives, the fundamental changes from those media on the society in which we live, and the ways that people expect the online medium will transform their lives in the future.

The online medium has undergone an evolution in the past five years, experiencing explosive growth with millions of new users as well as the introduction of new technologies. Indeed, more than half of online subscribers now say that being online is a necessity to them. The online medium has made dramatic inroads across a broad cross section of mainstream America. This year's study updates our view of the online consumer population across the past five years and serves as a Five-Year Anniversary retrospective.

This study was conducted via telephone among a random sample of 1,001 home Internet/online subscribers. The interviews were conducted from September 15, 2002 to October 13, 2002. The margin of error is $\pm 3.2\%$ for the total sample. The margin of sampling error for subgroups may be greater. The 1998 Cyberstudy was conducted among 1,001 home Internet users from August 6 through September 3, 1998. Comparisons between the 2002 Cyberstudy and 1998 Cyberstudy have been included wherever possible.

From its beginning, America Online, Inc. (AOL) has had a unique commitment to understanding and responding to the needs of the mass-market consumer and to discovering new ways to make the Internet online experience easier, more useful, and more rewarding. As the industry leader, AOL is dedicated to commissioning the highest-quality research on the impact of this exciting medium and to sharing important findings with members of the media, advertising, and research communities.

We hope you find this, the America Online/RoperASW Cyberstudy 2002, both informative and useful.

I. Profiling the 2002 Online User

Online Demographics: A Five-Year Perspective

The online consumer population is continuing to grow as more adults go online for the first time. The size of the consumer online population has grown to 111.3 million US adults.¹

In the past five years, the demographics of the online consumer population have become increasingly mainstream and representative of the general population. While fewer new users are coming online in 2002 when compared to 1998 (29% of users were online less than one year in 1998, compared to 11% in 2002), the population has already broadened dramatically in the past five years. Moreover, online usage is not merely a “flash in the pan”: people who come online stay. Two-thirds (63%) of today’s online consumers have been online three or more years, compared to just 29% in 1998.

While the proportion of men to women has remained stable across time, closely reflecting the composition in the general public, the proportion of educated and affluent online consumers has decreased in the past five years, more closely reflecting the American population. In 2002, 34% of online consumers have at least a college degree, compared to 43% five years ago. Similarly, today 27% of online consumers have an annual household income of under \$35,000, compared to only 17% in that income bracket just five years ago. While the online consumer population remains slightly more upscale and educated when compared to the US population overall, the dramatic drift toward the mainstream is a clear trend emerging across time.

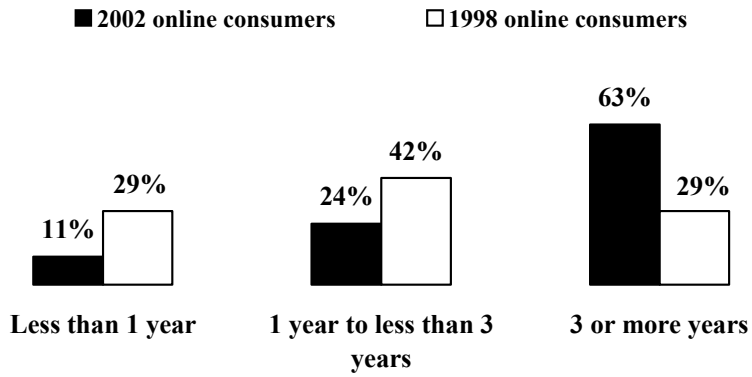
While the age of the online consumer population has remained relatively stable, older Americans have increasingly adopted the online medium. One-third of the online consumer population (33%) is between the ages of 35 and 49 in 2002, compared with 43% just five years ago. This change has occurred in part because older Americans, or those 50 years of age and

¹ Note: Projection of the number of people online at home is based on the qualifying incidence of 53.5% in the 2002 AOL/RoperASW Cyberstudy and a total US adult population of 208.1 million adults (based on the 2001 Current Population Survey).

older, are getting online connections at home at a faster rate. Twenty-six percent of online consumers are 50 years of age or older in 2002, compared to 22% in 1998.

The five-year perspective also reveals that more minorities are now online at home than ever before. Today, 76% of the online consumer population describes their ethnic background as white, compared to fully 84% in 1998. While still below the national average, the proportion of African Americans has nearly tripled in the past five years (8% vs. 3%).

Online Tenure - 2002 vs. 1998



Number of Years Online at Home

“How long ago did you first go online at home?”

Online Demographics - 2002 vs. 1998

	<u>General Population</u>	<u>Total 2002</u> <i>(n=1,001)</i>	<u>Total 1998</u> <i>(n=1,001)</i>
	%	%	%
<u>Gender</u>			
Men	48	49	53
Women	52	51	47
<u>Age</u>			
18-24	13	14	13
25-34	19	22	21
35-49	31	33	43
50+	37	26	22
<u>Education</u>			
HS or less	49	30	27
Some college	27	33	28
College graduate or more	24	34	43
<u>Income</u>²			
<\$35,000	34	27	17
\$35,000-\$74,999	36	44	48
\$75,000 or more	30	29	35

"How long ago did you first go online at home?"

² Excludes those refusing to answer income question.

Fewer Novices and More Experienced Online

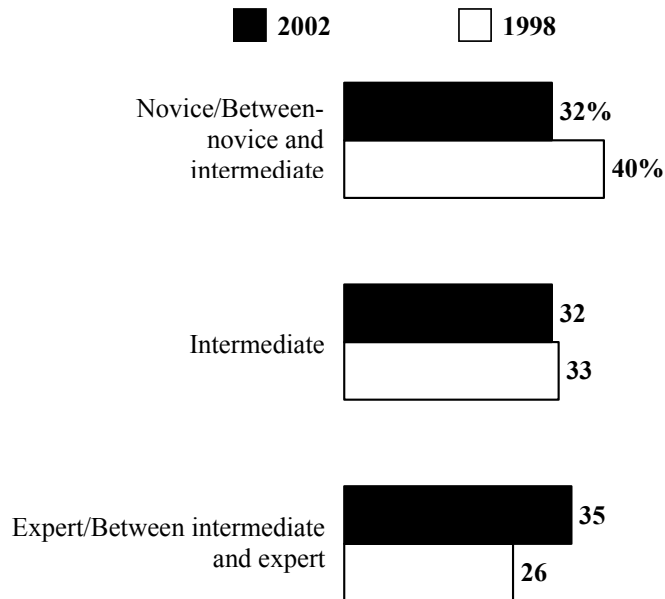
As the online consumer population has grown in breadth, it has also matured in depth. On balance, the population tends to have an increasingly refined set of online skills when compared to five years ago. While 40% of online consumers characterized themselves as novices or between novice and intermediate in 1998, this proportion has fallen 8 percentage points to 32% today. At the same time, the proportion of experts or between-intermediate-and-expert has increased from 26% in 1998 to 35% today.

The proportion of self-described intermediates has remained stable (32% in 2002 vs. 33% in 1998).

Online Skills and Capabilities

Base: Total respondents (n=1,001)

% saying they consider their Internet skills to be



“In terms of being able to do things and find what you are looking for online, do you consider yourself to be a novice, between novice and intermediate, intermediate, between intermediate and expert, or expert?”

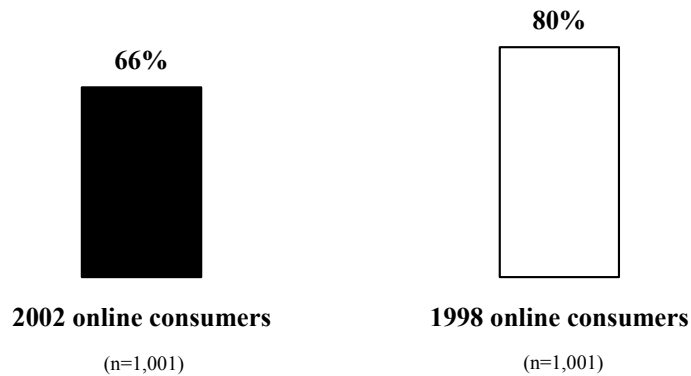
Online Medium Has Grown As Consumers Spread the Word

Two-thirds of all online consumers (66%) report that they have suggested to a friend or family member that they get online. This proportion has decreased from 80% in 1998. However, this drop is likely because that pool of friends and family is already online, as about half of all American households now have online access.

Talking Up Online

Base: Total respondents (n=1,001)

% saying they have suggested that others get online



“Have you ever suggested to a family member or a friend that they get online?”

Time Spent Online

At Home

In a typical week, the average online consumer in 2002 reports going online almost five days (4.7 days) and reports spending more than eight hours online (8.4 hours) at home.

More experienced users, however, spend more time online than do newcomers. Online consumers who have been using the Internet for five or more years report going online 5.1 days and 10.3 hours a week. In comparison, those who have been online for less than two years report logging 4.0 days and 7.1 hours a week.

While online consumers of various ages log on to the Internet about the same number of days each week, the youngest cohort (18 to 24 years old) report spending a greater number of hours online than do other groups (a reported average of 10.5 compared to 7.2 among those 50 years of age or older).

At Work

Those who have online access at work report being logged on four days (4.0 days) and 10 hours (9.6 hours) in a typical week. Paralleling time spent online at home, more experienced online consumers spend more days and more hours each week logged on at work.

Total Time Spent Online

Combining time spent online at home and at work, the typical online consumer is logged on to the Internet more than 13 hours in a typical week (13.5 hours). More experienced online consumers (online five or more years) average close to 20 hours a week (18.4 hours), while newcomers are spending about 10 hours a week online (9.4 hours).

Time Spent Online at Home

Base: Total respondents (n=1,001)

	Total (n= 1,001)	<u>Number of Years Online at Home</u>		
		<u>Less than 2 years</u> (n=201)	<u>2 to less than 5 years</u> (n=413)	<u>5 or more years</u> (n=367)
<u>At home</u>				
Mean number of <u>days</u> /week	4.7	4.0	4.7	5.1
Mean number of <u>hours</u> /week	8.4	7.1	7.6	10.3

	Total (n= 1,001)	<u>Age</u>			
		<u>18-24</u> (n=132)	<u>25-34</u> (n=203)	<u>35-49</u> (n=305)	<u>50+</u> (n=308)
<u>At home</u>					
Mean number of <u>days</u> /week	4.7	4.9	4.7	4.6	4.7
Mean number of <u>hours</u> /week	8.4	10.5	9.2	8.2	7.2

"How many days in a typical week do you go online at home?"
"How many hours in a typical week do you go online at home?"

Time Spent Online at Work

Base: Those who go online at work (n=543)

	Total (n= 543)	<u>Number of Years Online at Work</u>		
		<u>Less than 2 years</u> (n=82) ³	<u>2 to less than 5 years</u> (n=201)	<u>5 or more years</u> (n=251)
<u>At work</u>				
Mean number of <u>days</u> /week	4.0	3.3	3.8	4.3
Mean number of <u>hours</u> /week	9.6	5.5	8.6	11.9

“How many days in a typical week do you go online at work?”

“How many hours in a typical week do you go online at work?”

Total Time Spent Online at Home and at Work

Base: Total respondents (n=1,001)

	Total (n= 1,001)	<u>Number of Years Online at Home</u>		
		<u>Less than 2 years</u> (n=201)	<u>2 to less than 5 years</u> (n=413)	<u>5 or more years</u> (n=367)
<u>At home and at work</u>				
Mean number of <u>hours</u> /week	13.5	9.4	11.8	18.4

“How many hours in a typical week do you go online at home/work?”

³ Note: Caution small base size

Multiple Computers at Home and Home Networks

More than one-third of all online consumers (35%) live in a home with two or more computers. On average, online consumers report having 1.7 functioning computers in their home, and 1.3 of these computers are connected to the Internet. Online consumers who have been online longer report having more computers at home and more computers that are connected to the Internet.

Among online consumers who have two or more computers at home, close to half (48%) say their computers are on a network and share a printer, phone line, or online connection.

Many Have More Than One Computer at Home

		<u>Number of Years Online at Home</u>		
	Total	Less than <u>2 years</u>	2 to less <u>than 5 years</u>	5 or more <u>years</u>
	<i>(n= 1,001)</i>	<i>(n=201)</i>	<i>(n=413)</i>	<i>(n=367)</i>
<u>At home</u>				
Number of computers at home	1.7	1.2	1.8	2.0
Number of computers connected to an online service	1.3	1.1	1.2	1.6

“How many working computers do you have in your home?”

“How many of these are connected to your online service or Internet service provider?”

Potential Obstacles Preventing People from Getting Online

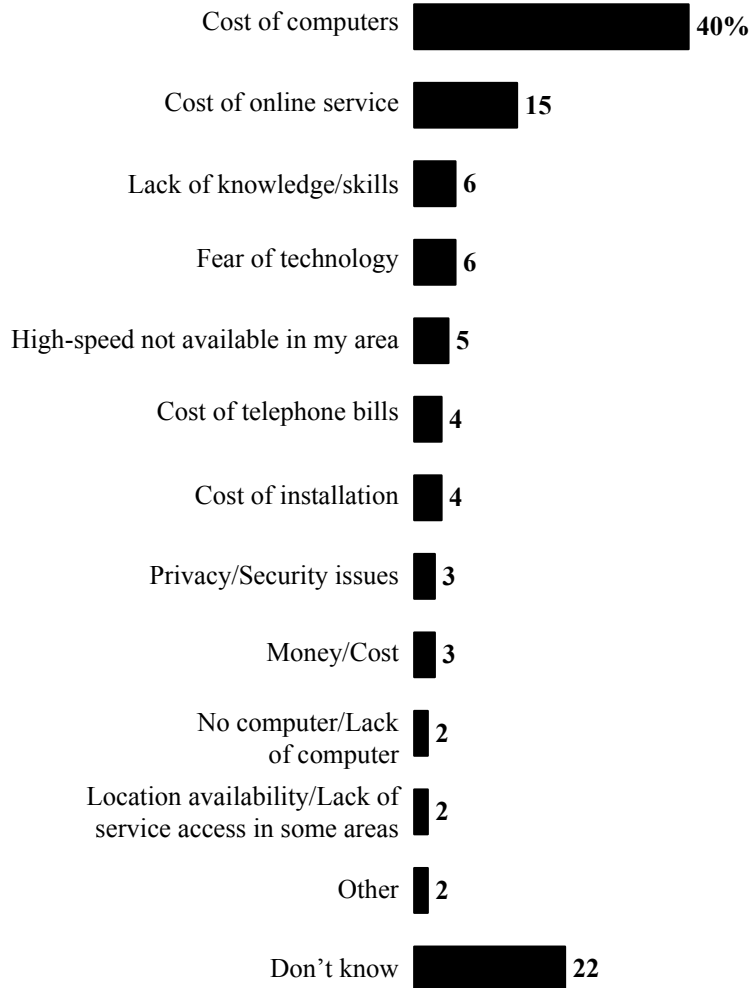
While the online consumer population has grown over the past five years, some Americans remain without online access at home. When online consumers are asked to speculate about the potential obstacles that people in this country who want online access face, the largest proportion of online consumers say that the cost of computers (40%) is the single biggest obstacle.

Beyond computer costs, online consumers are also likely to cite the cost of online service (15%), lack of computer knowledge or skills (6%), fear of technology (6%), and high-speed not available in their area (5%). More than two in 10 online consumers (22%), however, say they are unsure what obstacles might prevent people in this country who do not have Internet access from going online.

Obstacles Preventing People from Getting Online

Base: Total respondents (n=1,001)*

% giving each response



“What, if any, are the potential obstacles for people in this area of the country who want to be online or connected to the Internet?”

* Answers given by fewer than 2% not shown

II. Online Medium Is Central to People's Lives

Online Is a Necessity

As the online audience matures and as the number of activities people can do online increases, more and more online consumers are saying that being online is “just about a necessity.”

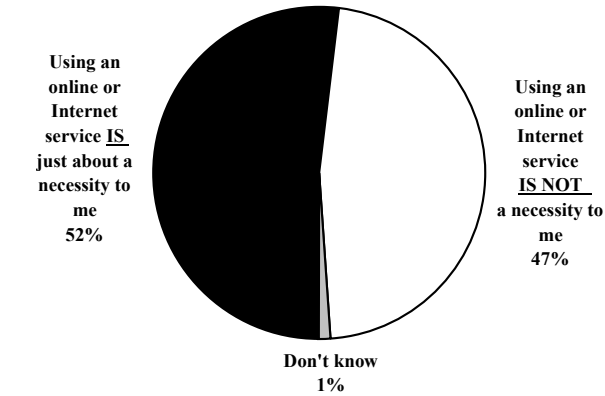
This year, half of all online consumers (52%) agree that being online is “just about a necessity.” The proportion of online consumers giving this response is at its highest point in the five years this research has been conducted (vs. 44% in 1998). In fact, about half (48%) say they have moved furniture in their home to accommodate a computer – a demonstration of its necessity to consumers' lives.

In addition, those who have been online longer are more likely than newcomers to agree that being online is a necessity. Similarly, younger online consumers (18 to 24 years old) are more likely than older online consumers (50 years of age or older) to think being online is a necessity.

Being Online Is a Necessity

Base: Total respondents (n=1,001)

% agreeing with each statement



"Which of the following statements comes closest to your opinion?"

Being Online Is a Necessity – 2002 vs. 1998

Base: Total respondents (n=1,001)

% saying being online is "just about a necessity"

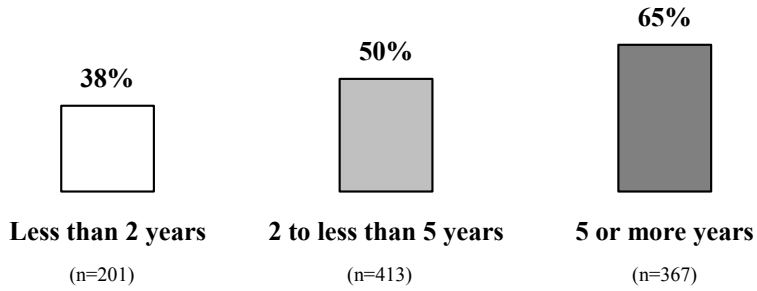


"Which of the following statements comes closest to your opinion?"

Online Is a Necessity – By Online Tenure

Base: Total respondents (n=1,001)

% saying being online is "just about a necessity"



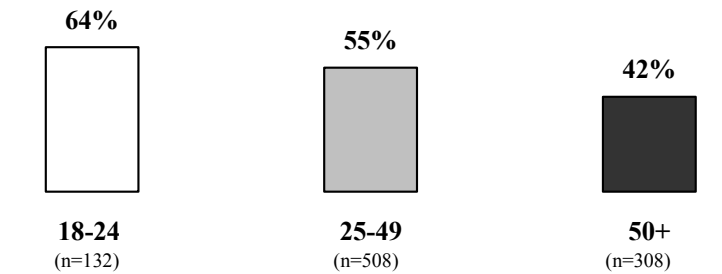
Number of Years Online at Home

"Which of the following statements comes closest to your opinion?"

Online Is a Necessity – By Age

Base: Total respondents (n=1,001)

% saying being online is "just about a necessity"



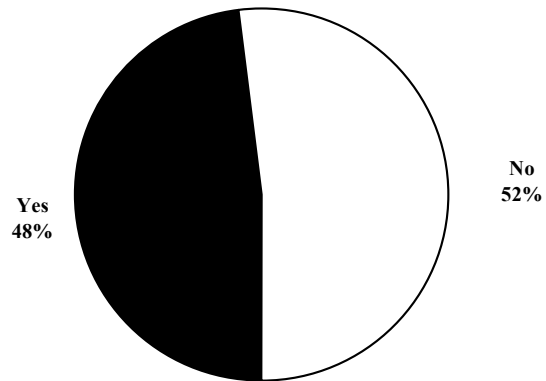
Age

"Which of the following statements comes closest to your opinion?"

Moving Furniture to Accommodate a Computer

Base: Total respondents (n=1,001)

% saying whether they have ever moved furniture in their home to accommodate using their household computer



"Have you ever moved furniture in your home to accommodate using your household computer?"

Missing Online

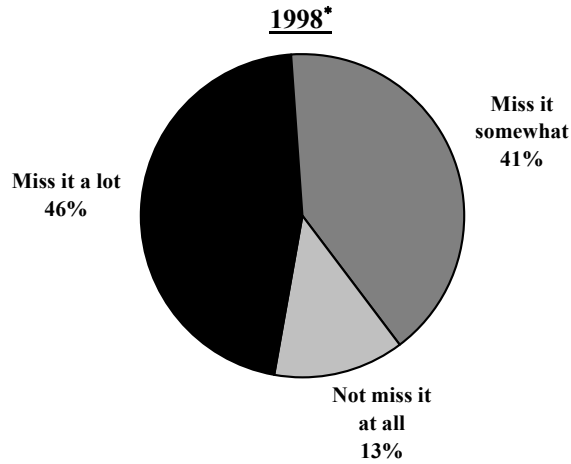
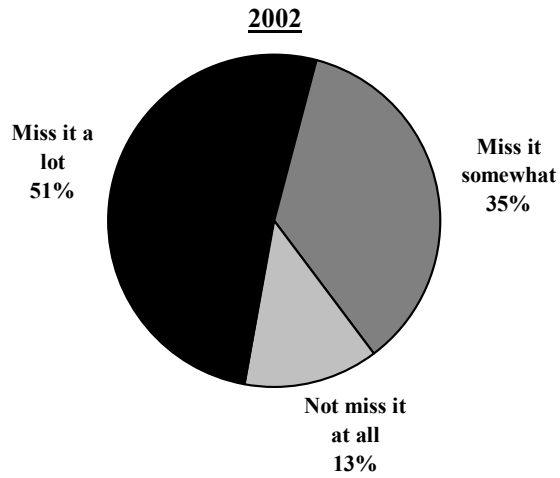
Another sure sign that online is a central part of life for many is how they would react if it were suddenly no longer available. The vast majority of online consumers (86%) say they would miss being online if they no longer had access at home or at work, including half (51%) who say they would miss it a lot. Suggesting that the online medium remains an integral part of life for those who have home access, the proportion who say they would miss being online has remained constant over the past five years. In 1998, 87% of online consumers said they would miss online access if it were no longer available, with 46% saying they would miss it a lot.

Paralleling other findings, both those who have been online longer (five or more years online) and younger online consumers (18 to 24 years old) are more likely to say they would miss it a lot if they couldn't log on to the Internet any more.

Missing Online

Base: Total respondents (n=1,001)

% saying how much they would miss going online if they no longer had access at home or at work



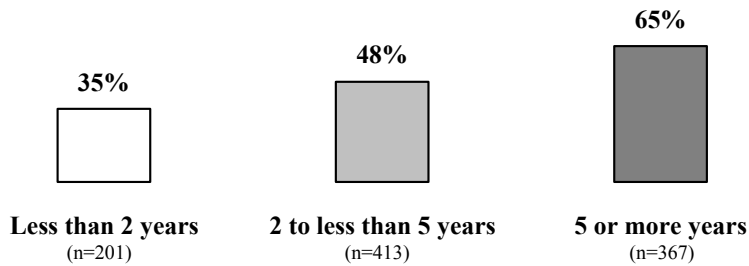
“How much would you miss it if you could no longer have online access at home or at work—would you miss it a lot, miss it somewhat, or would you not miss it at all?”

* Slight wording change since 1998

Missing Online – By Online Tenure

Base: Total respondents (n=1,001)

% saying they would miss going online a lot if they no longer had access at home or at work



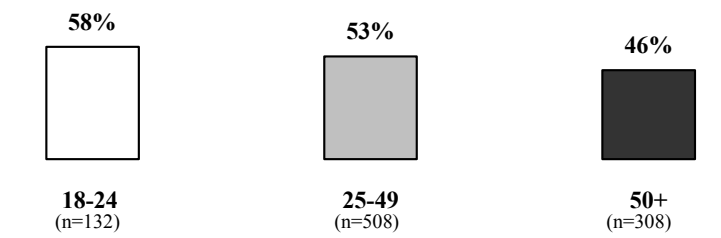
Number of Years Online at Home

“How much would you miss it if you could no longer have online access at home or at work—would you miss it a lot, miss it somewhat, or would you not miss it at all?”

Missing Online – By Age

Base: Total respondents (n=1,001)

% saying they would miss going online a lot if they no longer had access at home or at work



Age

“How much would you miss it if you could no longer have online access at home or at work—would you miss it a lot, miss it somewhat, or would you not miss it at all?”

Going Online Has Made Many Peoples' Lives Better

Consistent since 1998 (77%), eight out of 10 online consumers (80%) say that being online has improved some facet of their lives. Those who have been online longer are even more likely to agree that being online has made their lives better.

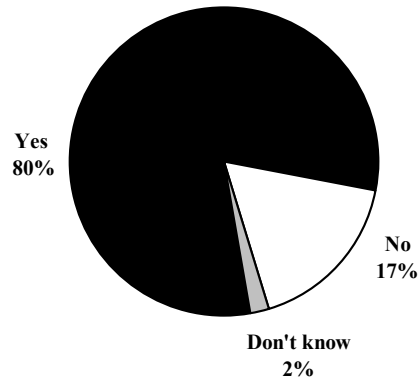
How does being online improve people's lives? When asked on an open-ended basis, the top reason given is that online is a valuable tool for gathering information (62%), such as being a good resource for information, easing the research process, and giving people quicker access to information. Online consumers also say that being online has helped them because they can use the medium as a tool for e-commerce activities (23%), including being able to buy/shop online, take care of their personal finances online, and comparison shop. Being online also helps people communicate (23%) because it is both convenient and fast.

Going Online Has Improved Peoples' Lives in Some Way

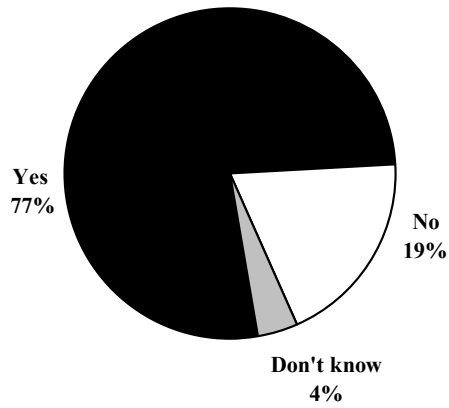
Base: Total respondents (n=1,001)

% saying whether or not going online has improved his/her life in some way

2002



1998

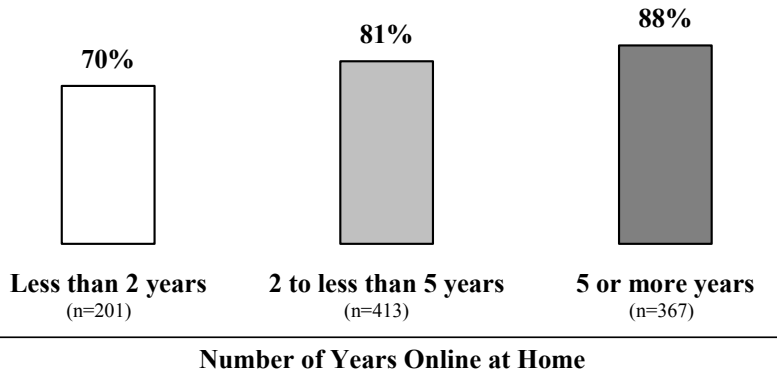


"Has being online made your life better in some way?"

Going Online Has Improved Peoples' Lives in Some Way – By Online Tenure

Base: Total respondents (n=1,001)

% saying being online has improved his/her life



"Has being online made your life better in some way?"

**Online Consumers Benefit from the Information Gathering, E-Commerce,
and Communication Abilities of Being Online**

Base: Those who say being online has made their life better in some way
(n=802)

% giving each response (Open ended question - multiple responses allowed)

	Total
	<i>%</i>
Information gathering (net)	62
Good source for information/easy access to information/keep you informed	47
Ability to do research/ease of research	9
Ability to get information quickly	7
Keep up with the news/read newspapers	2
Availability of maps/directions	2
Get information about health issues/research health problems	2
E-Commerce (net)	23
Can shop/buy items online	12
Financial information/pay bills/can do personal finances	6
Can purchase airline tickets/make travel arrangements	3
Can do comparison shopping/get product info	3
Saves money/can get things cheaper	1
Able to sell things online	1
To make reservations	1
Purchase tickets (other than airline tickets)	*
Communication (net)	23
Communication with friends/relatives	13
Convenience/ease of communicating/ease of communicating by email	11
It is a fast way to communicate	1
Convenience (net)	9
Convenient	4
Can do things from home/no need to travel	2
Made my life easier	2
Saves time	2
The availability/can do things at any time/24 hours a day	*
Other responses	
It helps me with my job/work	6
It is an educational aid/helps with school work	5
It is entertaining/fun	3
Can locate hard to find items	2
Can make new friends/meet people	2

"In what ways has being online made your life better?"

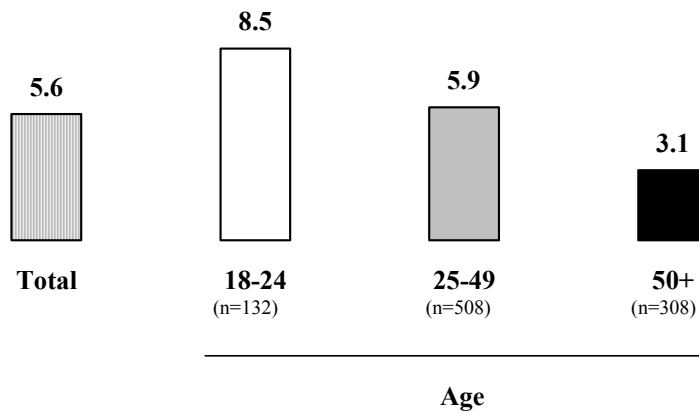
Being Online Saves Time Every Week

People are always trying to squeeze more time into each day, and being online apparently helps them do that. Online consumers report that, because they are able to do things online that they used to do offline, they save an average of 5.6 hours a week. Younger online consumers, who also tend to spend more time online each week, are also more likely than their older counterparts to estimate larger savings each week.

Time Saved Each Week by Going Online

Base: Total respondents (n=1,001)

Average number of hours online consumers say they save each week because they are online



“Approximately how many hours in a week, if any, would you say you save by doing things online that you used to do some other way? Just your best estimate is fine.”

Online Consumers Say It Is Important Today to Know How to Go Online

Online consumers believe it is important that adults and children both have the skills and knowledge to log on and use the Internet in today's society.

Close to eight in 10 online consumers (78%) say it is important for adults to know how to go online, while slightly more than seven in 10 (72%) say it is important for children to know how to do it. About six in 10 online consumers completely agree with each of these statements.

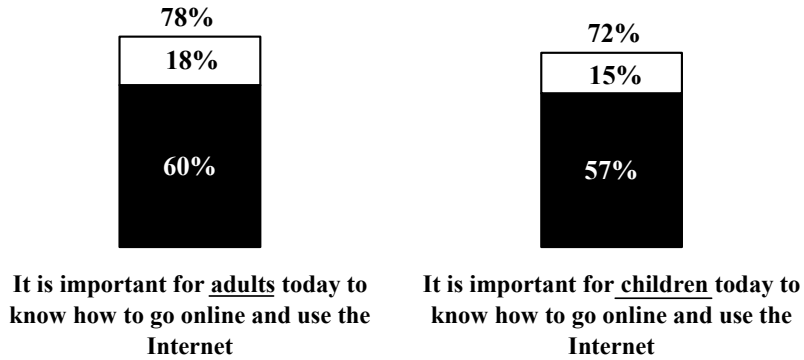
Important for Adults and Children to Be Able to Use the Web

Base: Sample A respondents (n=500)

% who agree with each statement (4 or 5)

□ Agree (% saying "4")

■ Completely agree (% saying "5")



"Using a 5-point scale with 5 meaning you completely agree and 1 meaning you completely disagree, please tell me how much you agree or disagree with each of the following statements."

Staying Connected If Stranded on a Desert Island

If they had to be stranded alone on a desert island for an extended period of time, the majority of online consumers say they would take along a computer linked to the Internet as the best way to stay connected to the outside world, when compared to other technological products asked about.

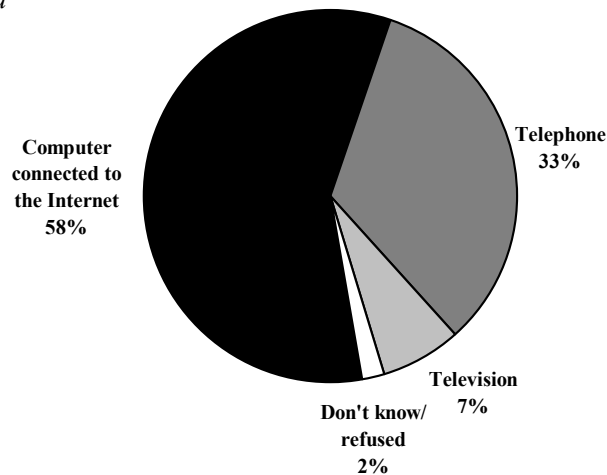
Close to six in 10 online consumers (58%) choose the computer with online connection, while one-third would choose a telephone (33%), and less than one in 10 (7%) would opt for a television. Younger online consumers are more likely than older consumers to select the online computer.

While the proportion choosing the Internet has fallen slightly since 1998 (when 67% chose the computer connected to the Internet), the online medium remains the preferred communication means.

Connected to the Outside World If Stranded on a Desert Island

Base: Total respondents (n=1,001)

% who would choose each piece of technology if stranded on a desert island

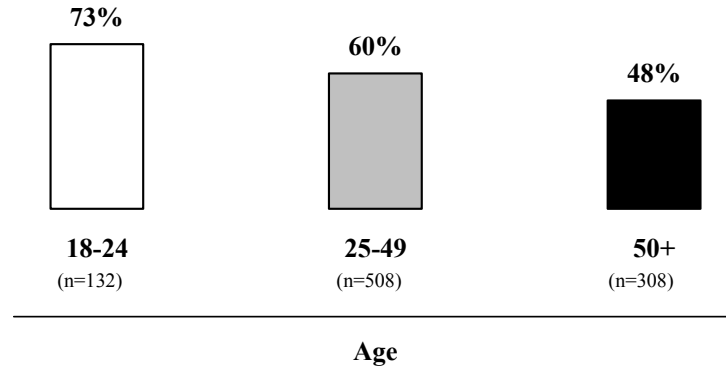


"If you had to be stranded alone on an island for an extended period of time, would you prefer to have a telephone, a television, or a computer connected to the Internet? Assume you could only have one."

Connected to the Outside World If Stranded on a Desert Island – By Age

Base: Total respondents (n=1,001)

% who would choose a computer connected to the Internet



“If you had to be stranded alone on an island for an extended period of time, would you prefer to have a telephone, a television, or a computer connected to the Internet? Assume you could only have one.”

III. Online Consumers Engage in a Wide Variety of Activities Online

Research, Communication, and E-Commerce Are Big Draws for Online Consumers

The AOL/RoperASW Cyberstudy reveals that online consumers are engaging in a wide range of activities online. The leading online activities in which online consumers engage regularly or occasionally include communicating with friends and family (90%), doing research of any kind (88%), and getting information about products to buy (77%).

Other popular activities among the majority of online consumers include getting driving directions and/or maps (67%), checking the weather report (66%), sending and receiving pictures (63%), and making purchases (60%).

About half of all online consumers say they regularly or occasionally go online to get local entertainment information (51%), book travel reservations or tickets (50%), communicate with business associates (50%), use online instant messaging services (48%), and/or look up addresses and telephone numbers (45%). Four in 10 online consumers also go online to listen to music just as they do on the radio (40%).

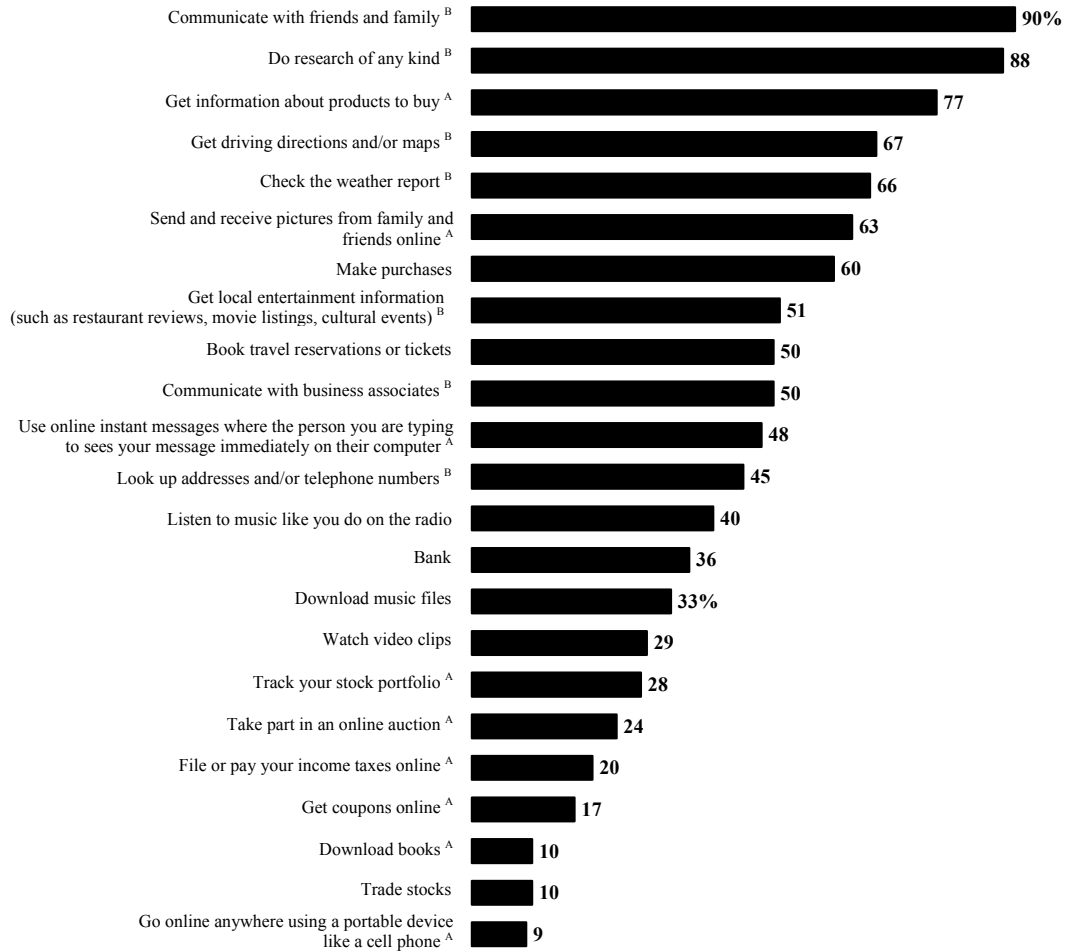
One-third of online consumers frequently bank online (36%), download music files (33%), watch video clips (29%), and track their stock portfolio (28%), while two in 10 take part in online auctions (24%) and/or file their income taxes online (20%).

Smaller proportions go online to get coupons (17%), download books (10%), trade stocks (10%), or go online anywhere with a portable device (9%).

Activities Done Online

Base: Total respondents (n=1,001)

% who regularly or occasionally engage in each activity online



“Now I am going to read you a list of some different things that can be done online. For each one please tell me if it is something you do regularly, occasionally, hardly ever, or never online.”

Note: Items marked with the letter A were asked only of Sample A. Items marked with the letter B were asked only of Sample B. Those without a letter designation were asked of both samples.

Online Activities – Five-Year Perspective

Online consumers have been engaging in a variety of online activities consistently since 1998 such as communication and research, while other types of activities, such as e-commerce, have grown. While technology has changed and evolved over the years, not all activities in the 2002 survey were asked about five years ago. However, many key activities have been tracked over the past five years.

E-Commerce

Americans are becoming increasingly interested in, comfortable with, and, in many cases, dependent on online purchasing. All of the e-commerce-related activities queried over the past five years display major growth or remain stable. Whether it is getting information about products to buy (77% in 2002 vs. 71% in 1998), making purchases (60% vs. 31%), booking travel reservations or tickets (50% vs. 32%), or banking (36% vs. 16%), online consumers are engaging in more commerce activities online than ever before. Stock activities such as trading stocks (10% vs. 11%) and tracking stock portfolios (28% vs. 32%) have remained stable despite the increasingly mainstream demographic changes the online consumer population has undergone across time.

Further analyses of these findings are presented in the following section of the report.

Communication

Communication has remained a key use of the medium for the online consumer population since 1998. Nine in 10 have consistently used the medium to regularly or occasionally communicate with friends and family (90% in 2002 vs. 87% in 1998), while half have regularly or occasionally gone online to communicate with business associates (50% vs. 52%). Online instant messaging is also a feature that has been consistently used by about half (48% vs. 52%).

Information Gathering

The online medium has also remained a key source for information gathering from 1998 to 2002. Nine in 10 online consumers have regularly or occasionally gone online to conduct research (88% in 2002 vs. 91% in 1998), while half have regularly or occasionally gone online to get local entertainment information (51% vs. 48%).

Online Activities – 2002 vs.1998

Base: Total respondents (n=1,001)

% who regularly or occasionally engage in each activity online

	<u>Total 2002</u>	<u>Total 1998</u>
	<i>(A=501)</i>	<i>(A=501)</i>
	<i>(B=500)</i>	<i>(B=500)</i>
	%	%
Communicate with friends and family ^B	90	87
Do research of any kind ^B	88	91
Get information about products to buy ^A	77	71
Get driving directions and/or maps ^B	67	N/A
Check the weather report ^B	66	N/A
Send and receive pictures from family and friends online ^A	63	N/A
Make purchases	60	31
Get local entertainment information (such as restaurant reviews, movie listings, cultural events) ^B	51	48
Book travel reservations or tickets	50	32
Communicate with business associates ^B	50	52
Use online instant messages where the person you are typing to sees your message immediately on their computer ^A	48	52
Look up addresses and/or telephone numbers ^B	45	N/A
Listen to music like you do on the radio	40	N/A
Bank	36	16
Download music files	33	N/A
Watch video clips	29	N/A
Track your stock portfolio ^A	28	32
Take part in an online auction ^A	24	N/A
File or pay your income taxes online ^A	20	N/A
Get coupons online ^A	17	N/A
Download books ^A	10	N/A
Trade stocks	10	11
Go online anywhere using a portable device like a cell phone ^A	9	N/A

▼ *“Now I am going to read you a list of some different things that can be done online. For each one please tell me if it is something you do regularly, occasionally, hardly ever, or never online.”*

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Interest in New Online Activities

Who would want to trek down to the Department of Motor Vehicles if he or she didn't have to? Certainly the majority of online consumers don't want to. With nearly seven in 10 online consumers (69%) saying they are very interested, somewhat interested, or already renew their driver's license online, this is the activity asked about that online consumers are most interested in conducting online.

Close to one half are also interested or have already registered to vote/voting online (56%), received/pay their household bills online (54%), and order prescription medicine online (49%).

Smaller percentages are interested or already go online to:

- check their voicemail using a computer (41%)
- get a teacher to help with their child's homework (38%)
- make phone calls (36%)
- apply for a home and/or car loan (35%)
- send a donation to charity (31%)

There is also a tenure effect with regard to online consumers' interest in new activities. Experienced online consumers generally show more interest in/are more likely to engage in the activities than newcomers are.

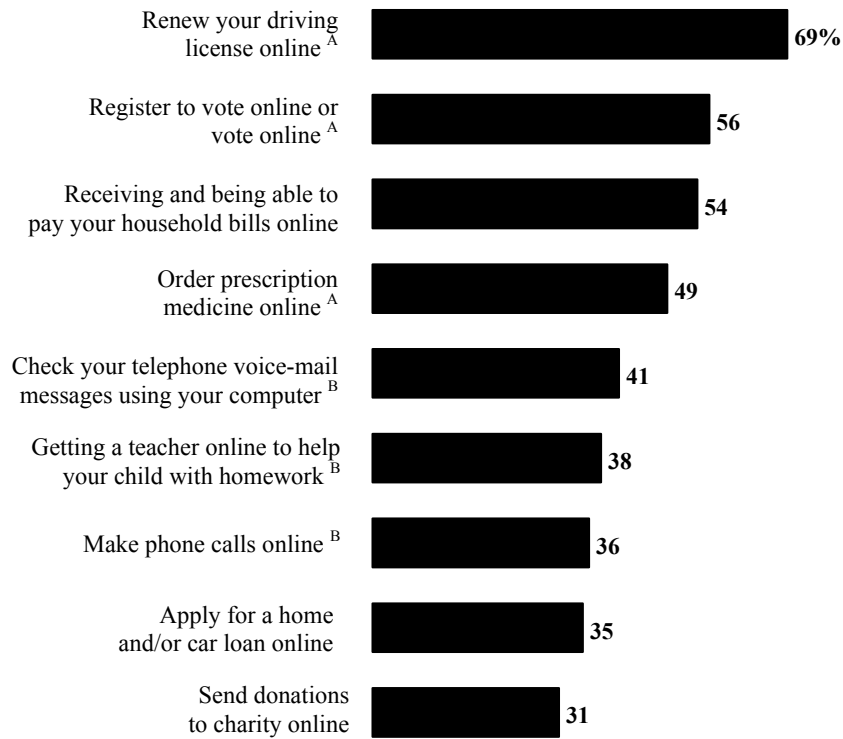
Interest in sending and receiving and being able to pay household bills online has remained consistent since 1998* (54% in 2002 vs. 55% in 1998), while interest in making phone calls online has significantly waned (36% vs. 65%).

* Note: "Already do it" not an answer option in 1998.

Interest in New Online Activities

Base: Total respondents (n=1,001)

% saying they are very interested/somewhat interested/already engage in each activity



“Next I’m going to read a list of some additional things people might be able to do online. For each one, please tell me how interested you are in doing it online. Would you say you are very interested, somewhat interested, not too interested, or not at all interested? If it is something you already do, just say so.”

Note: Items marked with the letter A were asked only of Sample A. Items marked with the letter B were asked only of Sample B. Those without a letter designation were asked of both samples.

Interest in New Online Activities – By Online Tenure

Base: Total respondents (n=1,001)

% saying they are very interested/somewhat interested/already engage in each activity

	<u>Number of Years Online at Home</u>			
	<u>Total</u>	<u>Less than 2 years</u>	<u>2 to less than 5 years</u>	<u>5 or more years</u>
	(A=501) (B=500) %	(A=85) ⁴ (B=116) %	(A=206) (B=207) %	(A=200) (B=167) %
Renewing your drivers license	69	62	68	74
Registering to vote online or vote online	56	45	57	62
Receiving and being able to pay your household bills online	54	41	52	64
Ordering prescription medicine online	49	40	49	55
Checking your telephone voicemail messages using your computer	41	36	40	46
Getting a teacher to help your child with homework	38	38	37	39
Making phone calls online	36	31	34	44
Applying for home and/or car loan online	35	28	29	47
Send donation to charity online	31	24	26	40

“Next I’m going to read a list of some additional things people might be able to do online. For each one, please tell me how interested you are in doing it online. Would you say you are very interested, somewhat interested, not too interested, or not at all interested? If it is something you already do, just say so.”

⁴ Note: Caution small base size

Some Have Set Email Controls to Limit Who Can Contact Them

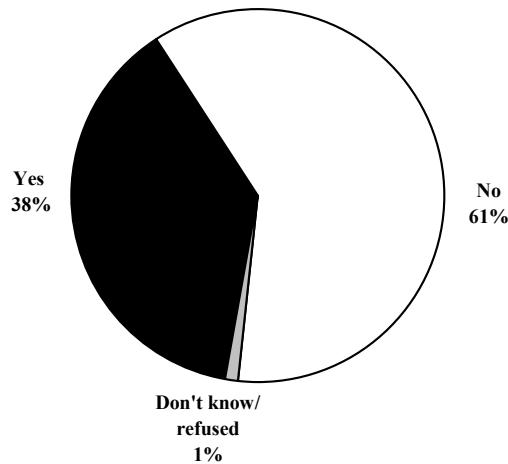
Close to four in 10 online consumers (38%) say they have set the controls on their email to control which people and organizations can contact them.

More experienced online consumers and younger online consumers are both more likely than others to have set their email controls. Almost half of those who have been online for five or more years (48%) have set their email controls, compared to only one-fourth of those who have been online for less than two years (25%). In addition, half of all online consumers age 18 to 24 (50%) have set the controls, while only 24% of those who are fifty or older have set these controls.

Setting Email Controls

Base: Total respondents (n=1,001)

% saying whether or not they have ever customized their email controls

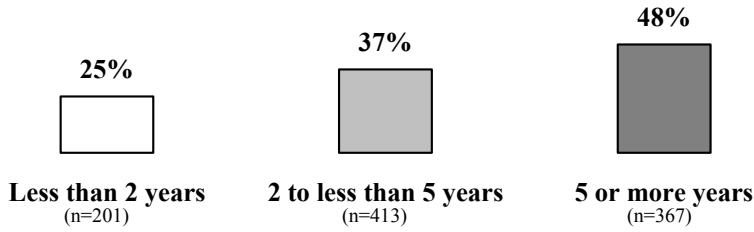


“Have you ever used custom email controls to set limits on which people or organizations can contact you online or not?”

Setting Email Controls – By Online Tenure

Base: Total respondents (n=1,001)

% who say they have set the controls on their email



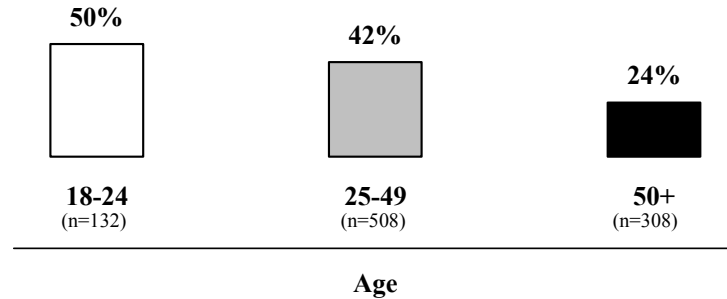
Number of Years Online at Home

“Have you ever used custom email controls to set limits on which people or organizations can contact you online or not?”

Setting Email Controls – By Age

Base: Total respondents (n=1,001)

% who say they have set the controls on their email



“Have you ever used custom email controls to set limits on which people or organizations can contact you online or not?”

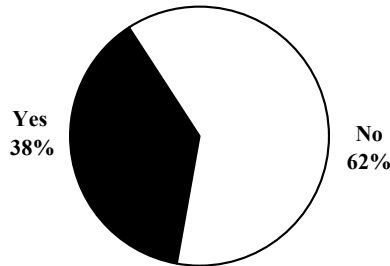
Watching TV at the Same Time – Multitasking While Online

Nearly four in 10 online consumers (38%) have gone online and watched television at the same time. Younger online consumers are notably more likely than older online consumers to have the television on while they are logged on to the Internet. More than half of all online consumers age 18 to 24 (53%) have done both at the same time, compared to only three in 10 who are 50 or older (31%).

Going Online and Watching TV Simultaneously – By Age

Base: Total respondents (n=1,001)

% saying whether or not they go online and watch television at the same time

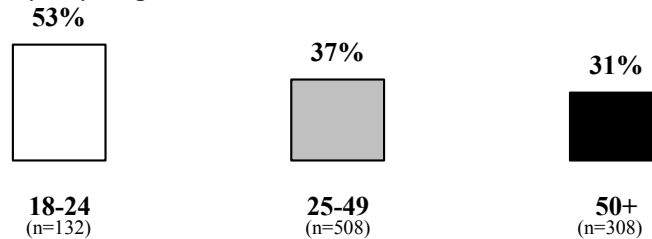


“Do you ever watch television and go online at the same time?”

Going Online and Watching TV Simultaneously

Base: Total respondents (n=1,001)

% who say they do go online and watch television at the same time



Age

“Do you ever watch television and go online at the same time?”

IV. E-Commerce Is a Central Part of the Online Experience

Online Purchasing Has Shown Explosive Growth Since 1998

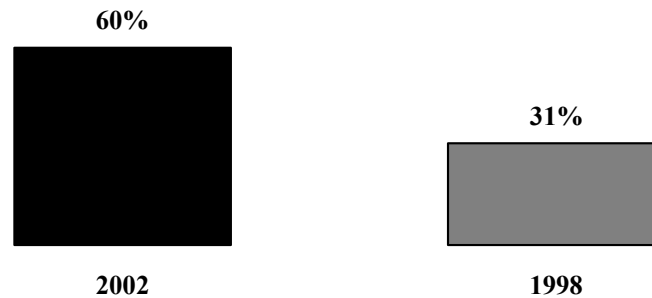
As the Internet has grown and online consumers have become more sophisticated, e-commerce has blossomed. It has become one of the main online activities and has turned the online medium into a multibillion-dollar marketplace.

In 2002, close to three-fourths of all online consumers (73%) report making an online purchase. In addition, six in 10 online consumers report that they regularly or occasionally make purchases online. This is twice as many as were buying online just five years ago (31%).

Buying Online Continues to Grow – Five-Year Trend Analysis

Base: Total respondents (n=1,001)

% saying they regularly or occasionally make purchases online



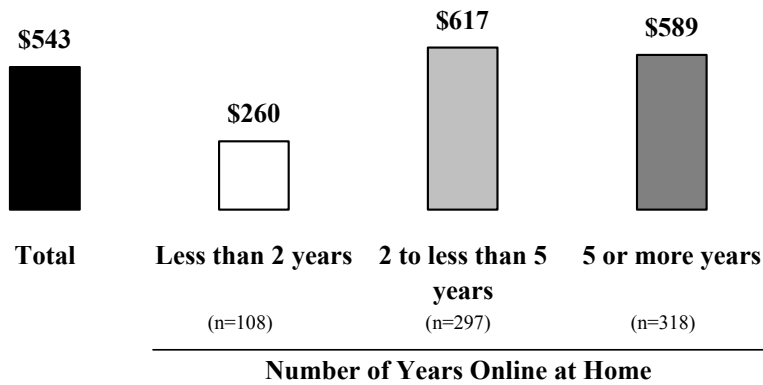
“Now I am going to read you a list of some different things that can be done online. For each one please tell me if it is something you do regularly, occasionally, hardly ever, or never online.”

Online Spending in the Past Three Months

Online consumers who have made at least one online purchase report spending an average of \$543 in online purchases over the last three months.⁵ Those who have been online for two or more years say they spent approximately \$600 during this time.

Average Amount Spent Online in the Last Three Months

Base: Those who have ever made an online purchase (n=734)



“In the past 3 months, about how much money in all have you personally spent on purchases made online?”

⁵ Interviews were conducted from September 15th through October 13th, 2002.

E-Commerce Activities: Oh, How You've Grown!

In addition to making online purchases, other commerce activities have enjoyed growth over the past five years and online consumers are engaging in more commerce activities online than ever before. Getting information about products to buy is up 6 points (77% say they regularly or occasionally engage in the activity online in 2002 vs. 71% in 1998), while booking travel reservations or tickets has increased by 18 points (50% vs. 32%). Online consumers are more than twice as likely as they were in 1998 to bank online (36% vs. 16%).

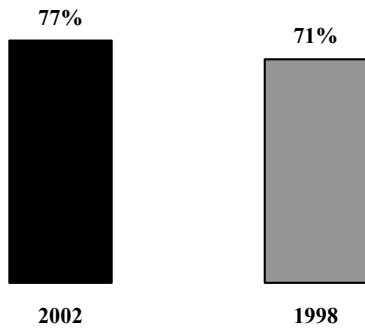
The rates of online financial product transactions such as trading stocks (10% vs. 11%) and tracking a stock portfolio (28% vs. 32%) have remained stable despite the increasingly mainstream demographic changes the online consumer population has undergone across time.

Growth of E-Commerce Activities – 2001 vs. 1998

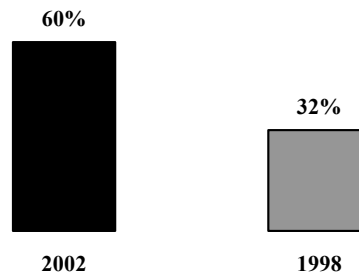
Base: Total respondents (n=1,001)

% saying they regularly or occasionally engage in each activity

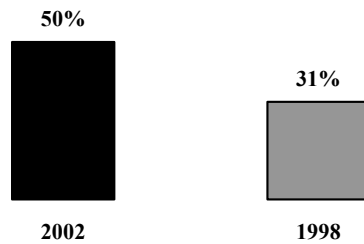
Get information about products to buy



Making purchases



Booking travel reservations or tickets



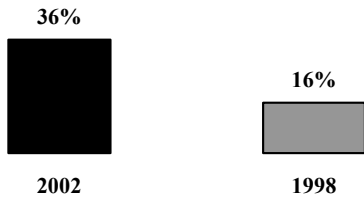
“Now I am going to read you a list of some different things that can be done online. For each one please tell me if it is something you do regularly, occasionally, hardly ever or never online.”

Growth of E-Commerce Activities – 2001 vs. 1998

Base: Total respondents (n=1,001)

% saying they regularly or occasionally engage in each activity

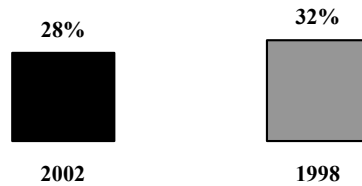
Banking



Trading stocks



Tracking stock portfolio



“Now I am going to read you a list of some different things that can be done online. For each one please tell me if it is something you do regularly, occasionally, hardly ever, or never online.”

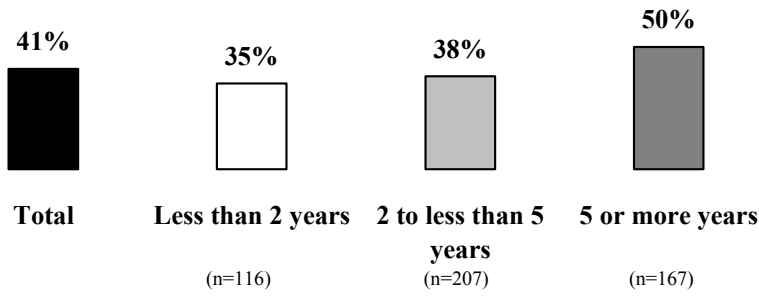
Future Growth of E-Commerce Activities?

Other evidence to suggest that online shopping will continue to grow is people's expectations about future purchases. Four in 10 online consumers (41%) say that they expect to increase the number of online purchases they make in the next few years, consistent with 1998 (41%). The most experienced online consumers are the most likely to express this attitude. Half of all consumers who have been online for five or more years say they expect to make more online purchases in the future (50% compared to 35% of newcomers).

"In the Next Few Years, I Expect I Will Increase the Number of Purchases I Make Online."

Base: Sample B (n=500)

% who agree with the statement (4 or 5)



Number of Years Online at Home

"Using a 5-point scale with 5 meaning you completely agree and 1 meaning you completely disagree, please tell me how much you agree or disagree with each of the following statements."

Products Frequently Purchased Online

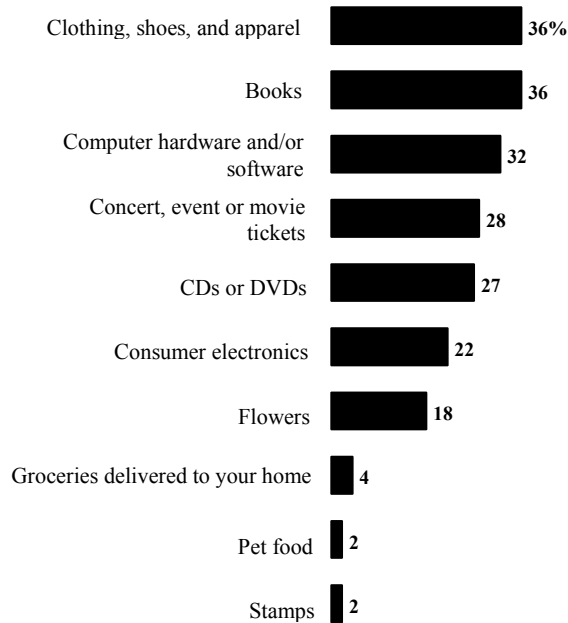
Clothing and books top the list of products online consumers are buying online. Slightly more than one-third of all online consumers say that they regularly or occasionally purchase clothing/shoes/apparel (36%) and books (36%) online. Sizable proportions also frequently purchase computer hardware/software (32%), concert/movie/event tickets (28%), CDs/DVDs (27%), consumer electronics (22%), and flowers (18%).

Nominal proportions say they regularly or occasionally buy groceries (4%), pet food (2%), or stamps (2%) online.

What Are People Buying Online?

Base: Total respondents (n=1,001)

% saying they regularly or occasionally purchase each item



“How often have you purchased each of the following products online? Would you say regularly, occasionally, hardly ever, or never? First/Next...”

Shopping For and With Others

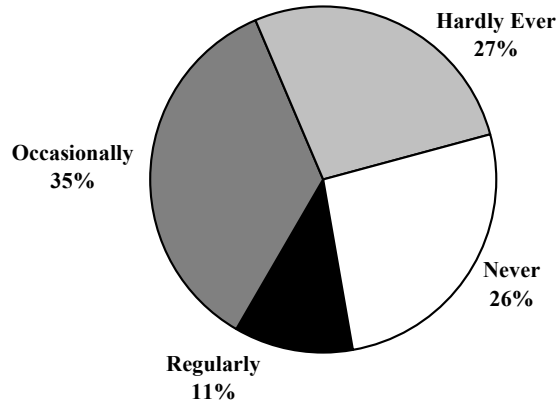
Seven in 10 online consumers (73%) who have ever made an online purchase report that they have bought a present or gift online for someone other than himself or herself. Half (47%) regularly or occasionally shop online for others. As they are more likely to shop overall, experienced online consumers are more likely than newcomers to report that they regularly or occasionally shop for others online.

More than half of all online consumers who have ever made a purchase say they have recommended a website to a friend or family member. Younger online consumers (18-49 years old) are more likely to pass the word and encourage others to try a specific shopping website.

Buying for Others

Base: Those who have ever made an online purchase (n=734)

% saying how often they shop online for someone other than themselves

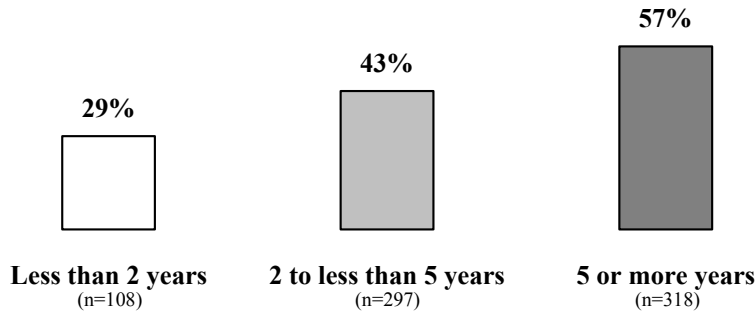


“How often, if at all, have you ever purchased a present online for someone other than yourself? Would you say regularly, occasionally, hardly ever, or never?”

Buying for Others – By Online Tenure

Base: Those who have ever made an online purchase

% who regularly or occasionally shop online for someone other than themselves



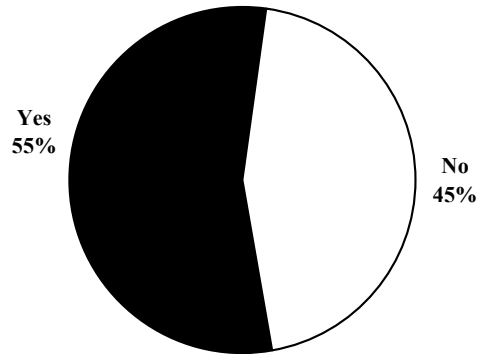
Number of Years Online at Home

“How often, if at all, have you ever purchased a present online for someone other than yourself? Would you say regularly, occasionally, hardly ever, or never?”

Recommending Shopping Websites to Others

Base: Those who have ever made an online purchase (n=734)

% saying whether they have ever recommended a shopping website

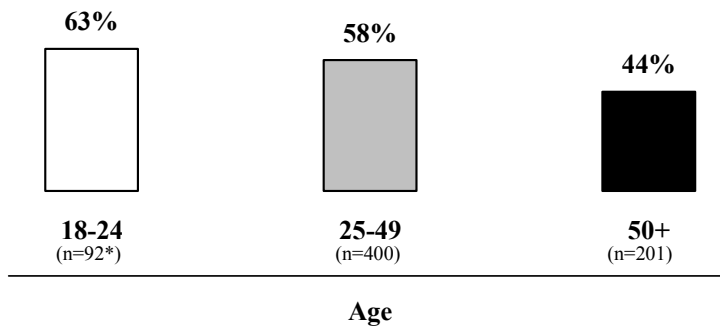


“Have you ever recommended a specific shopping website to a friend or family member?”

Recommending Shopping Websites to Others – By Age

Base: Those who have ever made an online purchase

% saying they have recommended a shopping website



“Have you ever recommended a specific shopping website to a friend or family member?”

* Caution: small base size

Going Online to Shop: An Informative and Convenient Resource

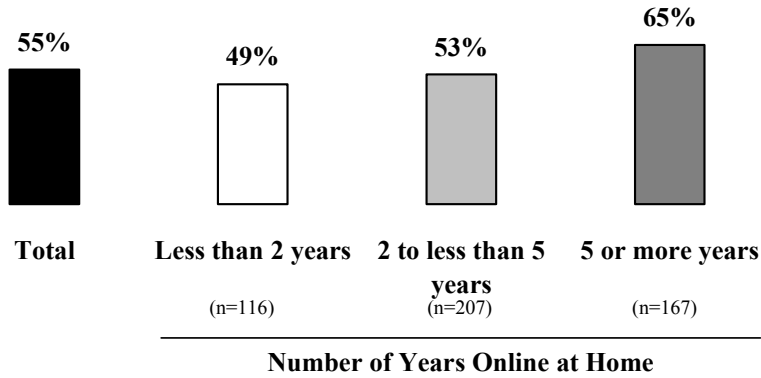
Going online can also be an important resource when shopping offline. Slightly more than half of all online consumers (55%) report that they sometimes go online to research a product and then purchase the product at a store or through a catalog. Those who have been online for more than five years (65%) are more likely than newcomers (49%) to say they sometimes use the Internet as a resource.

The online medium has always promised to make life more convenient and easier, and many online consumers are taking full advantage. Nearly half of all online consumers (47%) say they have shopped online while in their pajamas. Six in 10 experienced online consumers (62%) have gone shopping while still in their pajamas, compared to 35% of newcomers.

“I Sometimes Research a Product Online and Purchase It Offline, Like at a Store or Through a Catalog”

Base: Sample B respondents (n=500)

% who agree with the statement (4 or 5)

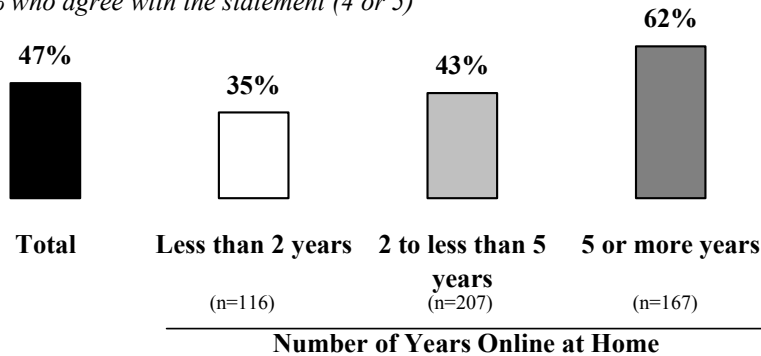


“Using a 5-point scale with 5 meaning you completely agree and 1 meaning you completely disagree, please tell me how much you agree or disagree with each of the following statements.”

“I Have Shopped in My Pajamas”

Base: Sample B respondents (n=500)

% who agree with the statement (4 or 5)



“Using a 5-point scale with 5 meaning you completely agree and 1 meaning you completely disagree, please tell me how much you agree or disagree with each of the following statements.”

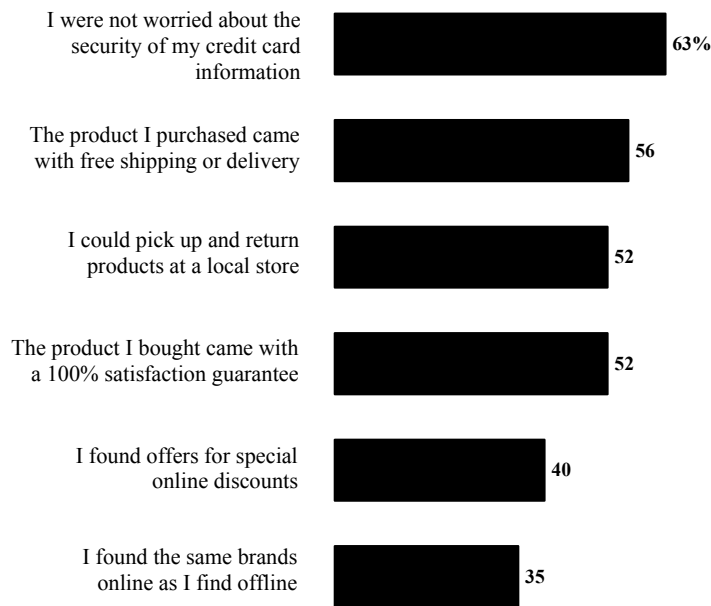
Encouraging Online Shopping Among Those Who Have Never Done It

Concerns over privacy and the cost of shipping are two of the top issues that appear to prevent people from shopping online. More than half of all online consumers who have never shopped online say they would be likely to shop online if they were not worried about the security of their credit card information (63%) or if their online purchase came with free shipping or delivery (56%).

I Would Be More Likely to Shop Online If...

Base: Those who have never shopped online (n=267)

% who agree they would shop online more often if... (4 or 5)



“Using a 5-point scale with 5 meaning you completely agree and 1 meaning you completely disagree, please tell me how much you agree or disagree with each of the following statements.”

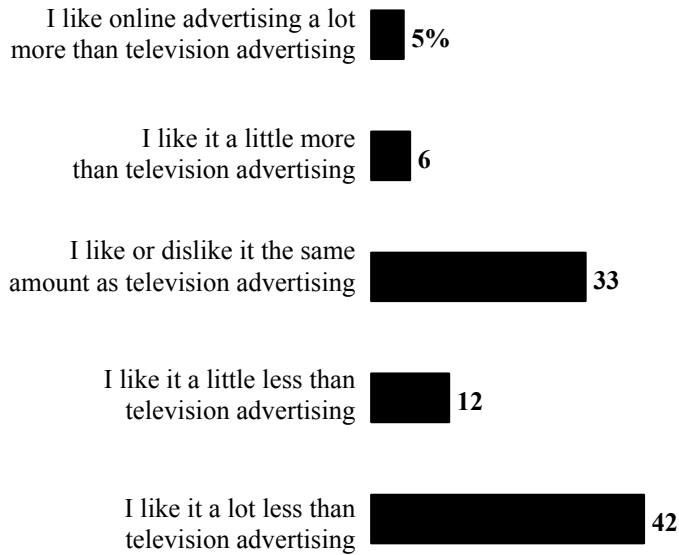
Comparing Television and Internet Advertising

While slightly fewer than half of all online consumers (44%) have a positive or neutral opinion of online advertising when compared to television advertising, slightly more than half (54%) have a more negative attitude toward online ads.

Comparing Television and Internet Advertising

Base: Total respondents (n=1,001)

% saying each statement



“Compared to advertising on television, how much do you like or dislike online advertising? Would you say you...”

V. Online Medium Is an Integral Part of Family Life

Going Online Is a Family Affair

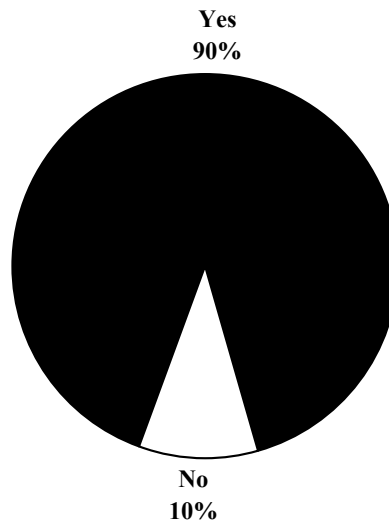
Most online consumers (72%) agree that it is important for children today to know how to go online and use the Internet.

While the consensus among all online consumers is that going online is important for children to know how to do, it follows that parents of online children go online together with their children. In fact, fully 90% say they sometimes go online sitting together with their online child.

Parents and Kids Go Online Together

Base: Parents of an online child (n=216)

% saying whether they sometimes go online sitting with their child



"Do you sometimes go online sitting together with your child?"

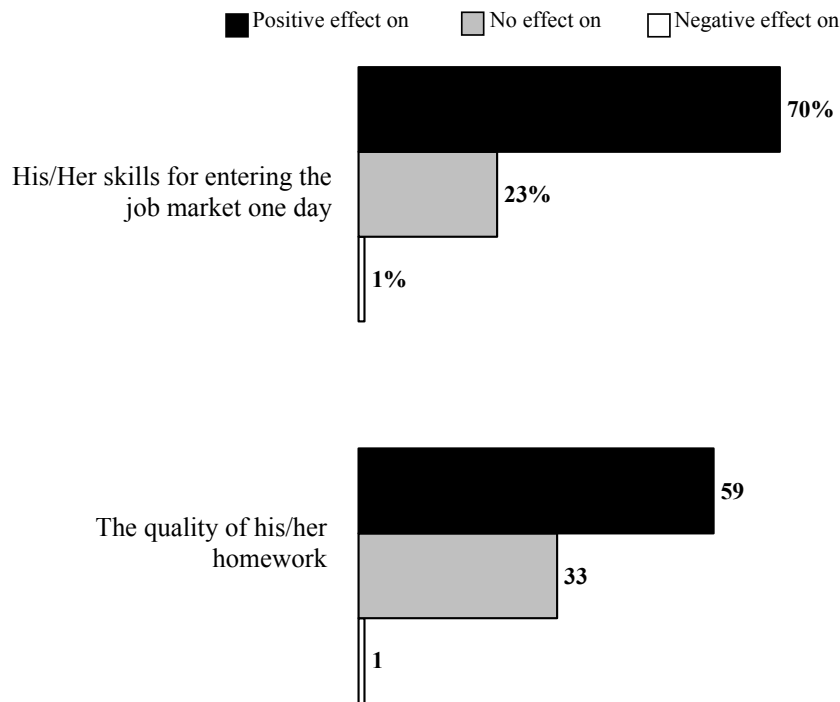
Parents Say Online Is Making Life Better for Their Children

When asked what the impact of being online has been on their children, parents agree that it is improving their children’s lives and their potential for future success. Seventy percent (70%) say it will have a positive effect on their child’s skills for entering the job market someday, while 59% believe that being online has improved the quality of their children’s homework.

In contrast, only very small percentages say that being online has negatively influenced their child in these areas.

Online Influence on Children

Base: Parents of an online child (n=216)



“For each of the following items, please tell me whether being online has generally had a positive effect, a negative effect, or had no effect on your (X- year-old) son/daughter?”

Most Parents Have Rules for Online Children

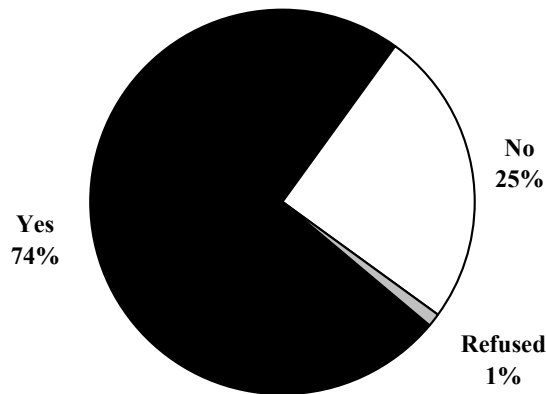
The vast majority (74%) of parents of online kids say they set rules to govern their children’s online activities. In fact, half of parents with online children (51%) use or have installed parental feature/control software programs on their home computers that limit the places their children can go on the Internet. Seven in 10 parents of online kids (68%) also say they are interested in or already do use an online feature that provides an update about their children’s online activities, such as the websites they have visited.

Among those with rules, almost all parents require that their children not give out personal information online (93%) and restrict the areas they may visit online (93%). In addition, 89% of parents limit the amount of time their children spend online, while 74% allow time online only after homework has been completed. A similar proportion (77%) require that their children check with an adult before going online. Half (49%) require that an adult be present when going online.

Parents Set Rules for Online Kids

Base: Parents of an online child (n=216)

% saying whether they set rules for their children

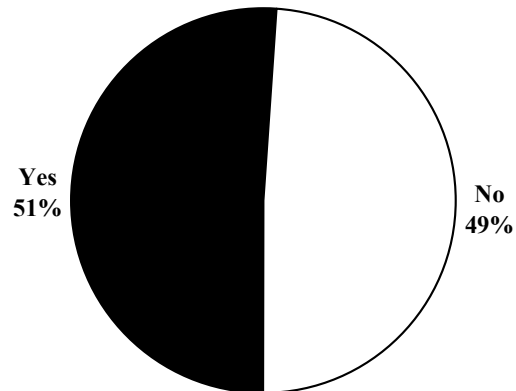


“Do you set any rules for him/her in terms of going online?”

Parental Online Control Features

Base: Parents of an online child (n=216)

% saying whether they use any parental control features to limit the places their children can go online

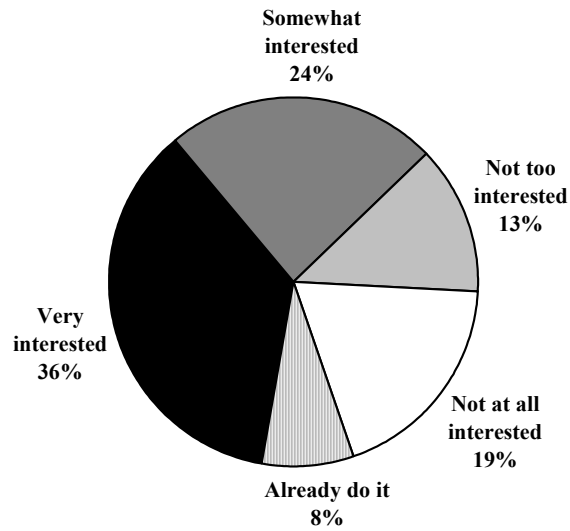


“Do you use any parental control features, software, or other method of automatically limiting the places any of your children can go online or on the Internet?”

Interest in Online Feature Providing Updates About Child's Online Activities

Base: Parents of an online child (n=216)

% saying whether they use any parental control features to limit the places their children can go online



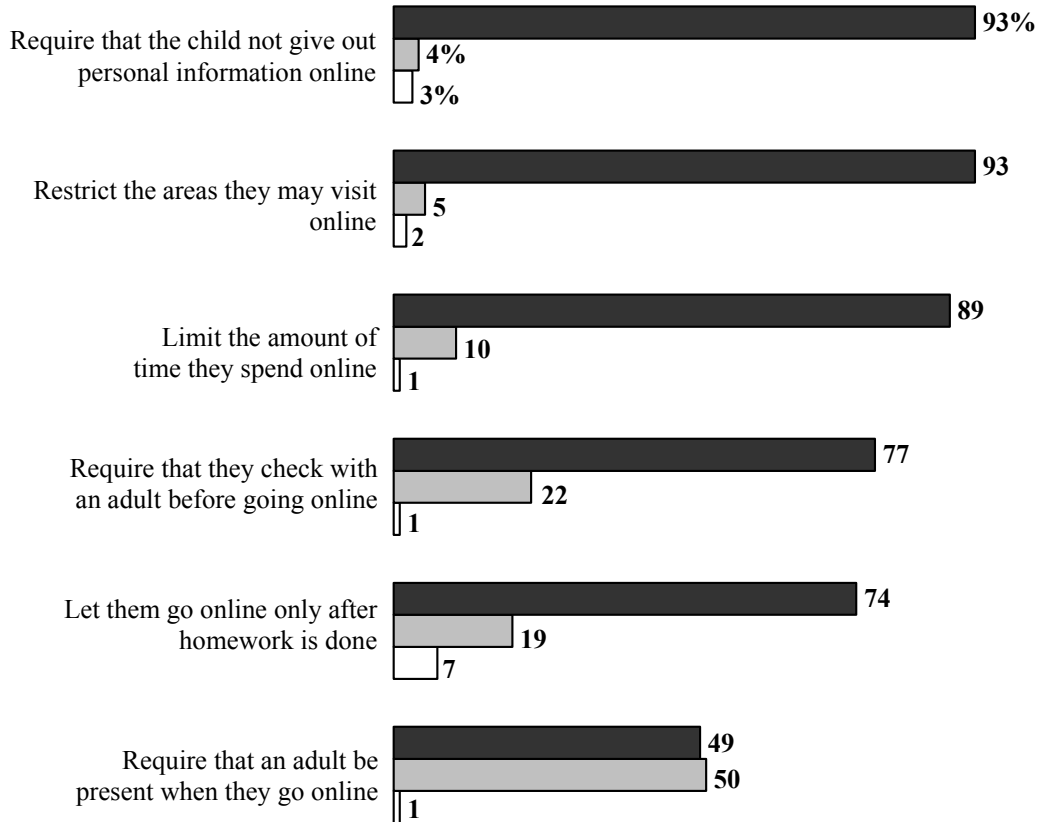
“How interested would you be in an online feature that gives you an update about your child’s online activities, like what websites he or she visited? Would you be very interested, somewhat interested, not too interested, or not at all interested in this feature?”

Online Rules

Base: Parents who have at least one online child and set rules for online (n=163)

% saying whether they have each rule

Yes, has rule
 No, does not
 Don't know/does not apply



“Next I’ll read a list of some rules some parents have told us they set for their children in terms of going online. For each one, please tell me whether or not it is a rule that you have for your [X-YEAR-OLD SON/DAUGHTER]?”


Family Computers in the Common Room


Two-thirds of all online parents who have a child online report that they have a computer located in a common family area in their home. The largest proportion of parents say a computer is located in a living room or family room (39%) or a study (27%). In addition, 14% say a computer is located in the parent's bedroom, while fewer than one in 10 parents say a computer is in the child's bedroom.


Where Parents Keep Computers in Their Home

Base: Parents of an online child (n=216)


% giving each response


Living room or family room  39%

Study  27

Parents' bedroom  14

Kids' bedroom  9

Kitchen  3

Other  22

“Where is (or are) your computer(s) located in your house?”

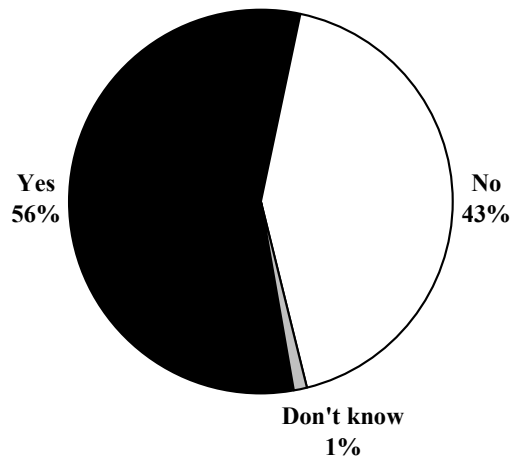
Online Kids Find Their Own Way to Engage in E-Commerce

As online consumers are increasingly using the online medium to shop for products, parents of online kids say their children are also taking part in e-commerce in their own unique way. Fully 56% of parents of online children say that their children have asked them to purchase something they saw online.

Kids and E-Commerce

Base: Parents of an online child (n=216)

% saying whether their child has ever asked to purchase something he or she saw online



“Has your child or have your children ever asked you to buy something they saw online?”

VI. Online Medium Is Keeping People Connected

Online Medium Is Keeping People in Touch

Eighty percent of online consumers say that being online has helped them to stay in touch with the people in their lives. Those who have been online the longest are even more likely to say so. Nearly nine in 10 (88%) online consumers who have been online five or more years say that being online has helped them stay connected, compared to 71% of those online fewer than two years.

Women are also more likely than men to say that being online has helped them to stay in touch with the people in their lives (83% vs. 75%).

In addition, one third of online consumers (35%) indicate that the online medium has ever helped them to reconnect with people with whom they had previously lost touch. The average length of time elapsed since last contact is nearly 10 (9.3) years. Younger online consumers are even more likely than older online consumers to say so (43% of those 18 to 24 compared to 25% of those 50-plus).

Being Online Keeping People Connected

Base: Sample B respondents (n=501)

% saying whether being online has helped them stay in touch with the people in their life

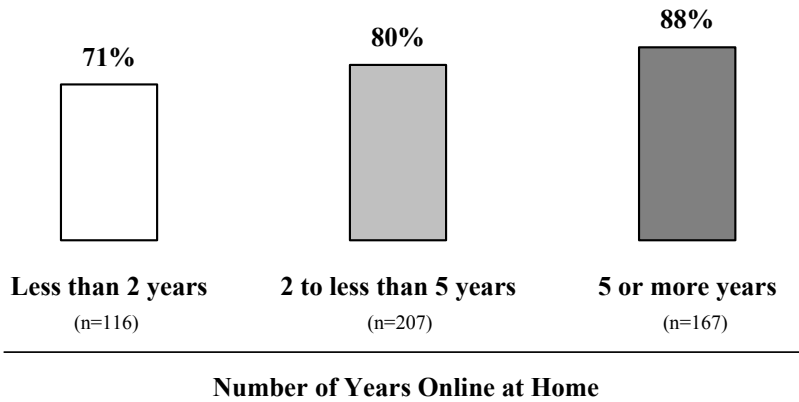
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“Has being online helped you to stay in touch with the people in your life?”

Being Online Keeping People Connected – By Online Tenure

Base: Sample B respondents (n=501)

% saying being online has helped them to stay in touch with the people in their life

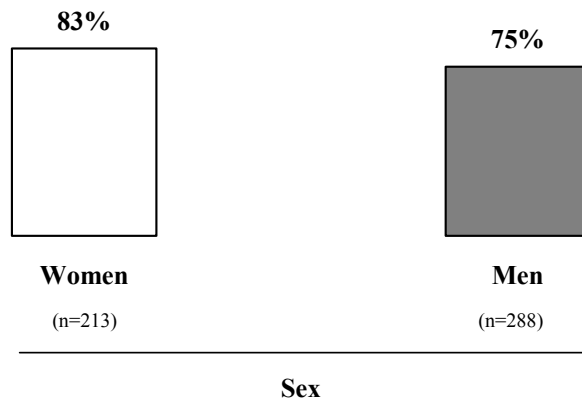


“Has being online helped you to stay in touch with the people in your life?”

Being Online Keeping People Connected – By Sex

Base: Sample B respondents (n=501)

% saying being online has helped them to stay in touch with the people in their life

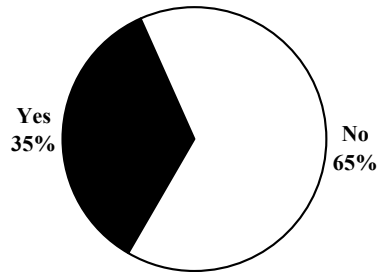


“Has being online helped you to stay in touch with the people in your life?”

Reconnecting with Old Friends and Distant Family

Base: Sample B respondents (n=501)

% saying whether being online has helped them to reconnect with anyone with whom they had lost touch



“Has being online ever helped you to find or reconnect with (re-contact) anyone you (had) lost touch with?”

Reconnecting with Old Friends and Distant Family – By Age

Base: Sample B respondents (n=501)

% saying being online has helped them to reconnect with anyone with whom they had lost touch

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(n=62*)

(n=251)

(n=157)

Age

“Has being online ever helped you to find or reconnect with (re-contact) anyone you (had) lost touch with?”

* Caution: small base size

Online Medium Keeping People Connected to Family and Friends

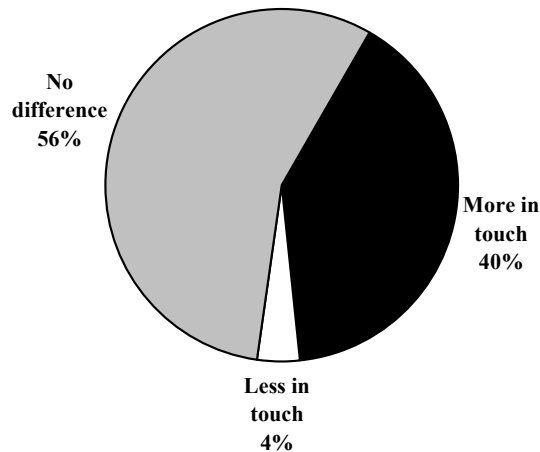
When asked if they are generally more in touch or less in touch with family and friends because of going online, four in 10 (40%) say they are more in touch, compared to only 4% saying they are less in touch. About half (56%) say being online has made no difference.

Those online the longest are most likely to say that they are more in touch with family and friends because of being online – 48% of those online five years or more say this, compared to 27% of those online for less than 2 years.

Keeping in Touch with Family and Friends

Base: Sample A respondents (n=500)

% saying how being online has affected their relationship with family and friends



“Are you generally more in touch with friends and family because of being online, less in touch with them because of being online, or has there really been no change?”

Keeping in Touch with Family and Friends – By Online Tenure

Base: Sample A respondents (n=500)

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% saying being online has made them more in touch with family and friends

(n=85*)

(n=206)

(n=200)

Number of Years Online at Home

“Are you generally more in touch with friends and family because of being online, less in touch with them because of being online, or has there really been no change?”

** Caution: small base size*

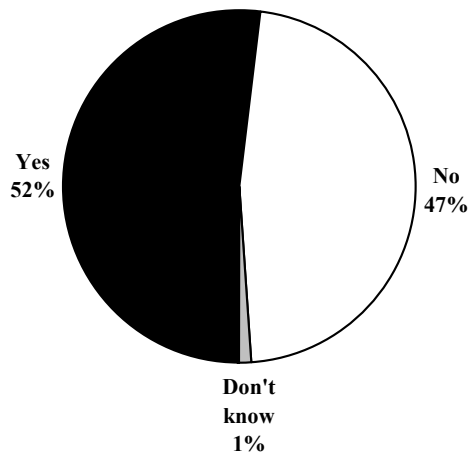
Online Consumers Use Buddy List to Stay in Touch

Half of online consumers use a buddy list, or a box on their screen, that tells them who is online at the same time they are online (52%). Buddy lists are particularly important social connections for women and younger online consumers. More than half of women say they have a buddy list (55%), compared to 48% of men. In addition, nearly eight in 10 (78%) of 18 to 24 year old online consumers have a buddy list, compared to 52% of 25 to 49 year olds and 40% of those 50 or older.

Half Have Online Buddy List

Base: Total respondents (n=1,001)

% saying whether they have an online buddy list

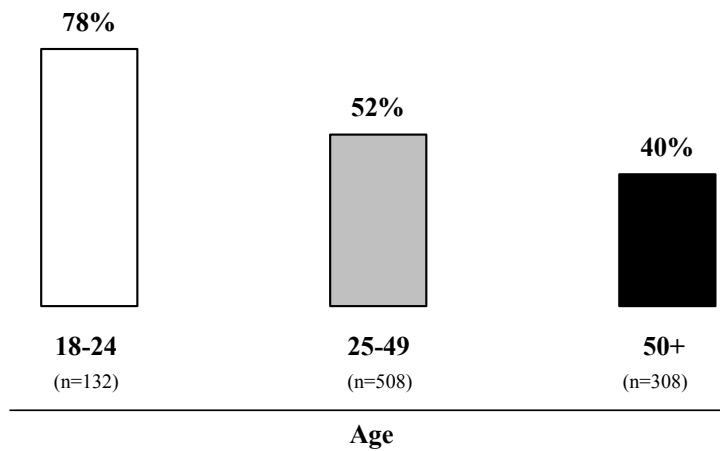
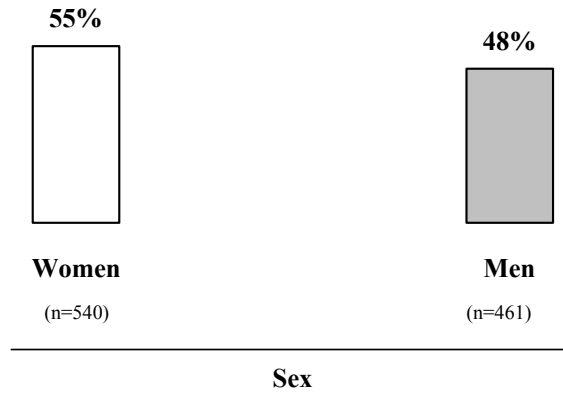


“Do you have a buddy list or box on your screen that tells you who is online at the same time you are online?”

Online Buddy Lists – By Sex and Age

Base: Total respondents (n=1,001)

% saying they have online buddy list



“Do you have a buddy list or box on your screen that tells you who is online at the same time you are online?”

Half Use Email to Share Good News and Organize Social Events

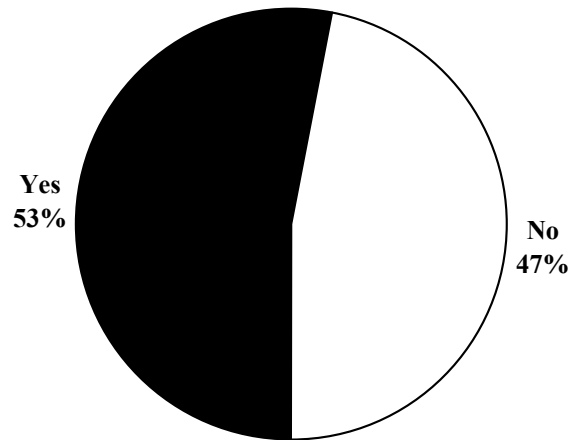
Yet another way online consumers indicate that email is helping them to stay in touch with the people in their lives is through setting up social engagements and sharing good news about each other's important life events through email.

Half of online consumers say they have ever sent or received an email announcing major personal news, such as the birth of a baby, a wedding, or a new job (53%). A similar proportion (50%) say they have sent or received an email invitation to a party or social event.

Sending/Receiving Email to Announce Major Personal News

Base: Total respondents (n=1,001)

% saying whether they have ever sent or received an email to announce major personal news

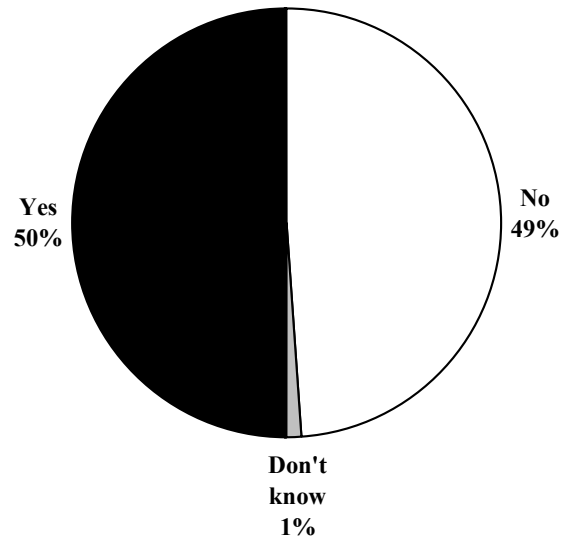


"Have you ever sent or received an email announcing major personal news like the birth of a baby, a wedding, or a new job?"

**Sending/Receiving Email Invitations to Social Events with
Family and Friends**

Base: Total respondents (n=1,001)

% saying whether they have ever sent or received an email to a social event



“Have you ever sent or received an email invitation to a party or social event with friends or family?”

Half Are Interested in Using Email Reminder Alerts for Birthdays or Anniversaries

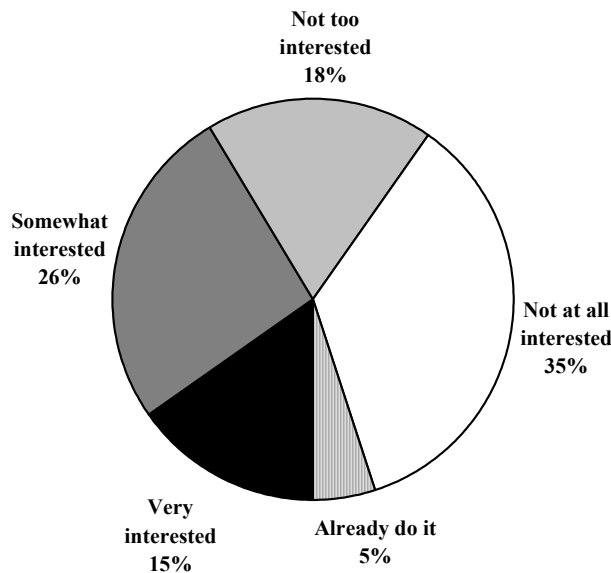
While online consumers use email to stay in touch with family and friends, half are also interested in using email to help them make sure their birthday and anniversary well-wishes arrive on time. About half of online consumers (46%) say they are very or somewhat interested in receiving or already receive email reminders of important dates such as birthdays or anniversaries.

Younger consumers are even more likely than older ones to be interested in such a feature – 58% of 18-to-24 year-olds are interested or already do it, compared to 33% of those 50 years of age or older.

Interest in Email Reminder Alerts for Birthdays or Anniversaries

Base: Total respondents (n=1,001)

% saying how interested they would be in the service

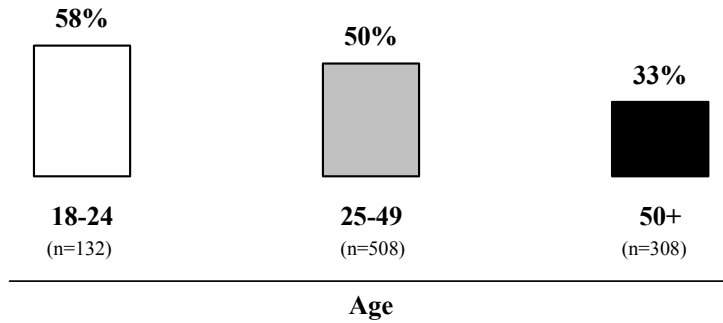


“How interested would you be in getting an email alert as a reminder of important dates like birthdays or anniversaries?”

Interest in Email Reminder Alerts for Birthday or Anniversaries – By Age

Base: Total respondents (n=1,001)

% saying very interested/somewhat interested/already do it



“How interested would you be in getting an email alert as a reminder of important dates like birthdays or anniversaries?”

Most Online Consumers Keep in Touch with New Acquaintances Via Email

When they meet somebody new who they want to stay in touch with, most online consumers use email to keep in touch. Online consumers are twice as likely to say they give *only* their email address (31%), compared to those who say they give *only* their telephone number (16%). About eight in 10 give their email address to new acquaintances whether they only give their email address (31%) or give both their email address and telephone number (47%).

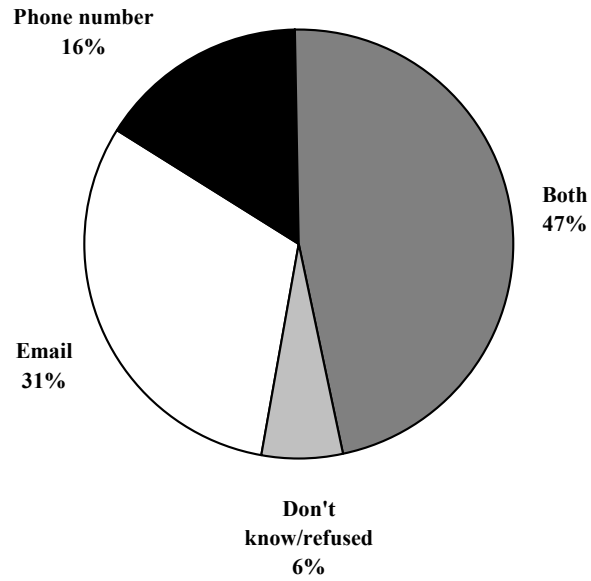
Newcomers are the most likely to give *only* their email address. Forty percent of those online for less than two years provide their email address as their contact information, compared to 27% of those online five years or longer. More seasoned users, on the other hand, are most likely to give both their email address and their telephone number (55% compared to 33% of newcomers).

Younger online consumers – those 18 to 24 years of age – are also more likely than older ones to give only their email address to keep in touch with new acquaintances (44% compared to 32% of 25 to 49 year-olds and 23% of those 50-plus).

Keeping in Touch with New Acquaintances

Base: Total respondents (n=1,001)

% saying what contact information they give to stay in touch with someone new



“When you meet someone new that you want to stay in touch with, which of the following contact information would you give him or her? ”

Keeping in Touch with New Acquaintances – By Online Tenure

Base: Total respondents (n=1,001)

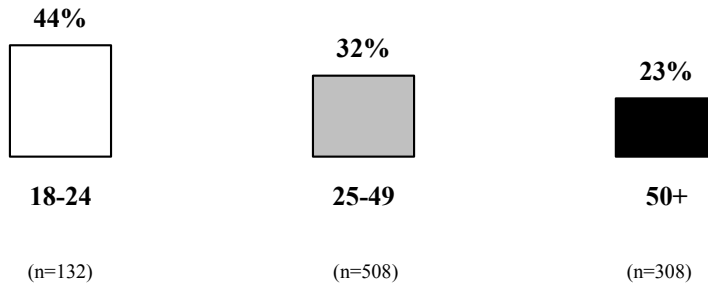
	Number of Years Online at Home			
	<u>Total</u> (n=1,001)	<u>Less than 2 years</u> (n=201)	<u>2 to less than 5 years</u> (n=413)	<u>5 or more years</u> (n=367)
	%	%	%	%
Email	31	40	29	27
Phone number	16	23	17	12
Both	47	33	49	55

“When you meet someone new that you want to stay in touch with, which of the following contact information would you give him or her?”

Keeping in Touch with New Acquaintances – By Age

Base: Total respondents (n=1,001)

% saying they give their email address to stay in contact with someone new



Age

“When you meet someone new that you want to stay in touch with, which of the following contact information would you give him or her?”

Making New Friends and Finding New Romance Online

Aside from keeping in touch with the people in their lives or re-connecting with others they have lost touch with over the years, many online consumers are also meeting new people and making new social connections online. Half (53%) say that they know somebody who has made a friend or started a relationship with someone they met online.

Women and younger online consumers are particularly likely to say they know someone who has made a new social connection online. Nearly six in 10 women say so, compared to 48% of men. In addition, fully three-fourths of 18 to 24 year-olds (74%) say they know someone who has met somebody or started a relationship online, compared to 54% of 25 to 49 year-olds and 43% of those 50-plus.

Starting New Relationships Online

Base: Total respondents (n=1,001)

% saying whether they know someone who has met somebody new or started a relationship online

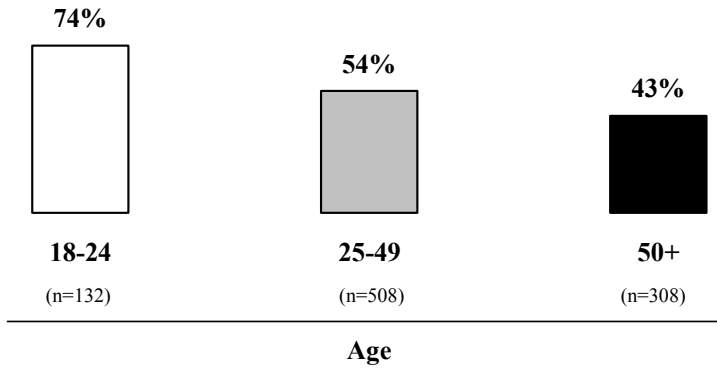
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“Do you know anyone who has made a friend or started a relationship with someone they met online, or not?”

Starting New Relationships Online – By Sex and Age

Base: Total respondents (n=1,001)

% saying they know someone who has met somebody new or started a relationship online



“Do you know anyone who has made a friend or started a relationship with someone they met online, or not?”

Some Are Making Dating Connections Online

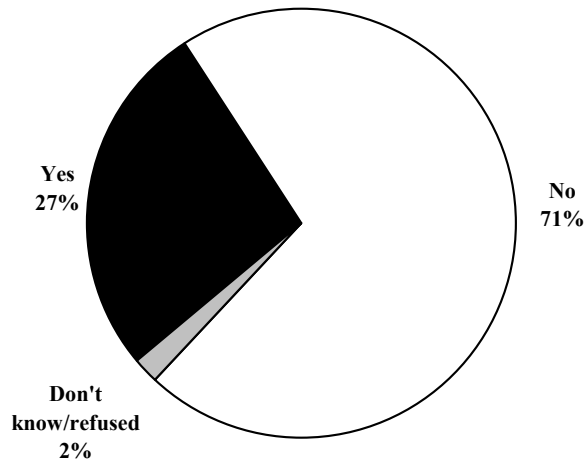
In fact, when single online consumers are asked about their use of email, nearly three in 10 (27%) say they have either been asked out or that they have asked someone else out on a date via email or instant message.

Men and younger singles are particularly likely to say they have made a date online. One-third of single male online consumers say they have either asked someone out or been asked out online (35%), compared to 20% of females. About one-third of single online consumers under age 50 say they have had this experience, compared to 10% of single online consumers 50 or older.

Making Dates for Online Singles

Base: Those not married (n=396)

% saying whether they have ever been asked out or asked someone else out on a date via email or instant message

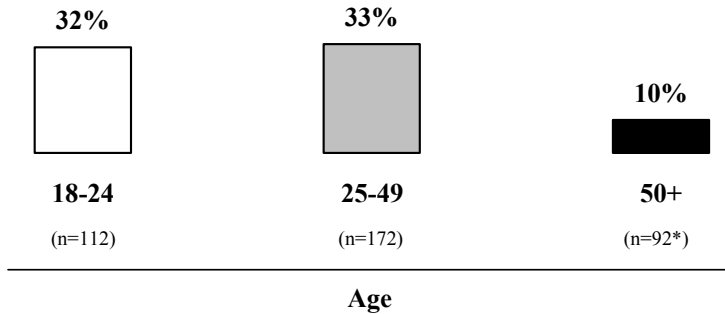


“Have you ever been asked out or asked someone else on a date via email or instant message? ”

Making Dates for Online Singles – By Sex and Age

Base: Those not married (n=396)

% saying they have been asked out or asked someone else out on a date via email or instant message



“Have you ever been asked out or asked someone else out on a date via email or instant message?”

** Caution: small base size*

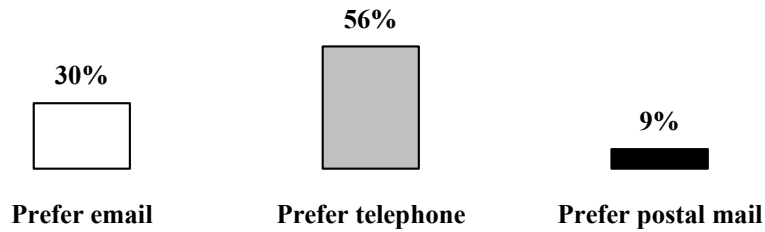
Some Online Consumers Prefer to Communicate with Family and Friends Via Email, but Telephone Is Their Top Choice

As we have seen, email is offering online consumers new ways to communicate with friends and family. Thirty percent prefer to use email for communicating with friends and family, compared to the telephone (56%) or postal mail (9%).

Communication Preferences

Base: Total respondents (n=1,001)

% saying which is preferred method of communication with friends and family



“For each of the following items, please indicate whether you prefer email, the telephone, or regular postal mail. First/next, communication with...”

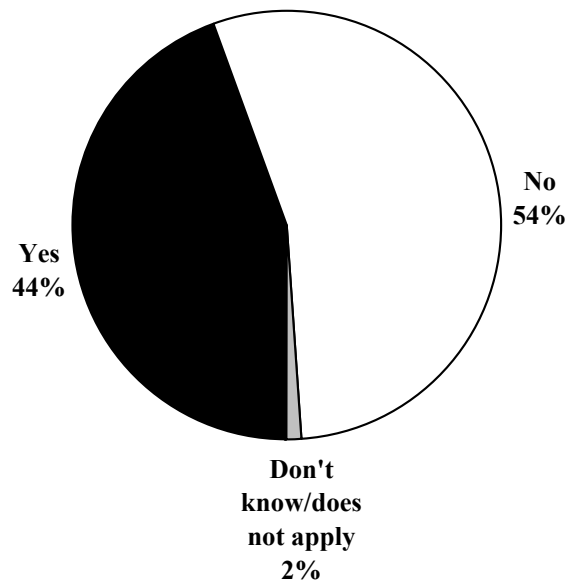
Checking Email When Away from Home

When they are away from home, many online consumers say they check their email to stay connected to the people in their lives, according to 44% of online consumers. Those online the longest, five years or more, are more likely than newer users to say they do so (58% vs. 41% of those online two years to less than five years and 30% of those online less than two years). Younger online consumers, or those 18 to 24 years of age (65%), are more likely than those 25 to 49 (47%) or 50-plus (28%) to check their email when they are away from home.

Checking Email When Away from Home – By Online Tenure

Base: Total respondents (n=1,001)

% saying whether they check their email when away from home

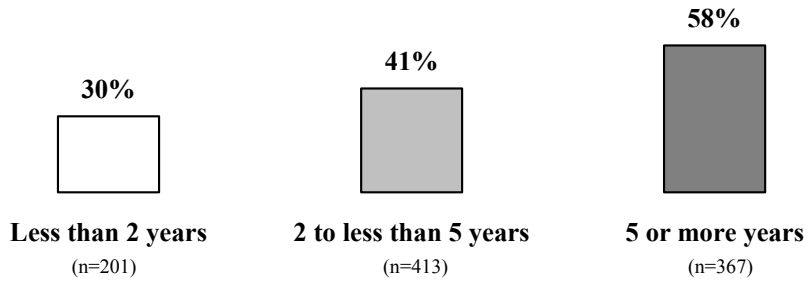


“Do you check your email when you are away from home? ”

Checking Email When Away from Home – By Online Tenure

Base: Total respondents (n=1,001)

% saying they check their email when away from home



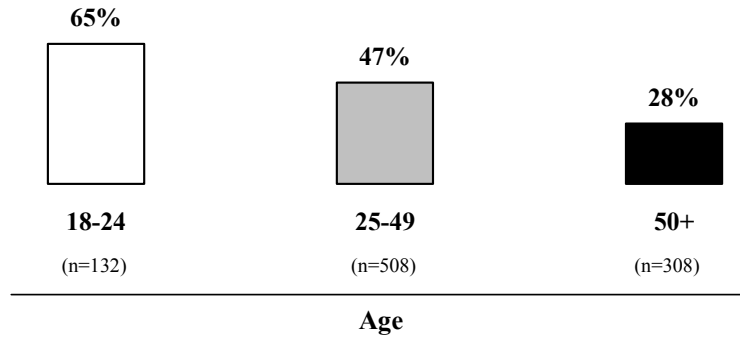
Number of Years Online at Home

“Do you check your email when you are away from home?”

Checking Email When Away from Home – By Age

Base: Total respondents (n=1,001)

% saying whether they check their email when away from home



“Do you check your email when you are away from home?”

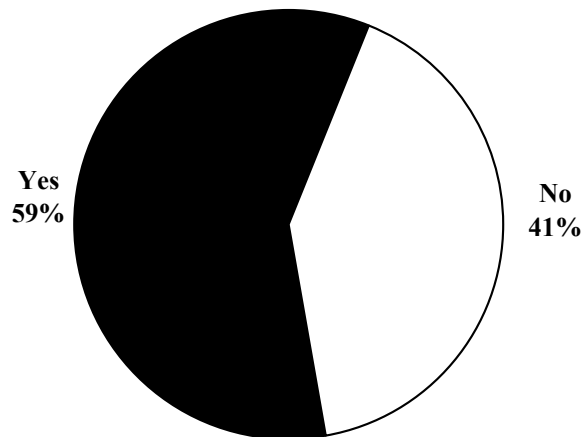
Most Online Consumers Go Online for Breaking News

With the tumultuous world events of the recent past both in the U.S. and abroad, most online consumers say they are going online to keep informed about breaking news. Fully 59% say they have ever gone online for the latest information on breaking news or a major event. Online veterans, or those online five or more years, are most likely to do so (68% compared to 56% of newcomers).

Going Online for News

Base: Total respondents (n=1,001)

% saying whether they have ever gone online for the latest information when breaking news or a major event is happening

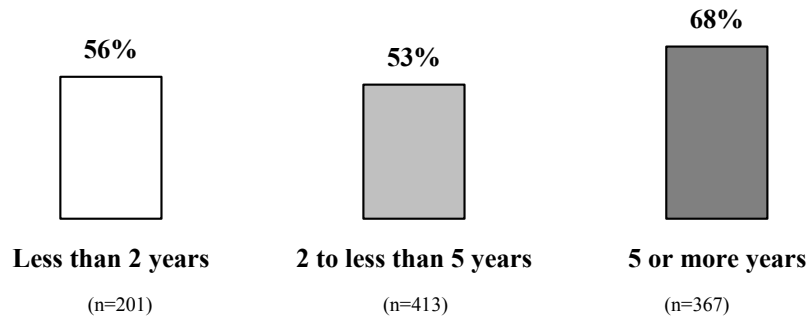


“Have you ever gone online for the latest information when breaking news or a major event is happening?”

Going Online for News – By Online Tenure

Base: Total respondents (n=1,001)

% saying they have gone online for the latest information when breaking news or a major event is happening



Number of Years Online at Home

“Have you ever gone online for the latest information when breaking news or a major event is happening?”

Many Search for Themselves and Friends Online

Instead of wondering what information may be available online, some online consumers say they have searched for themselves or for someone they know online, by typing a name into a search engine like Google.

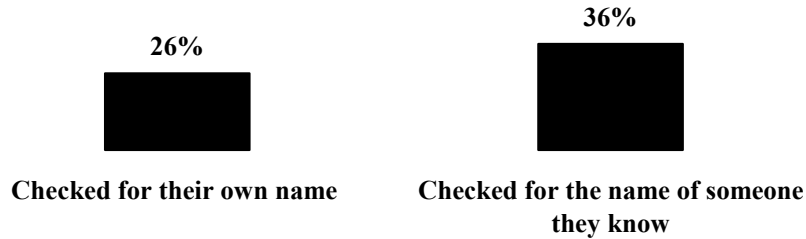
One-fourth of online consumers (26%) say they have typed their own name, while 36% say they have typed the name of someone they know into a search engine.

Those online the longest are the most likely to have done so.

Search for Themselves and Friends Online

Base: Total respondents (n=1,001)

% saying they have done each using a search engine like Google



“Have you ever (INSERT ITEM) in a search engine like Google?”

Search for Themselves and Friends Online – By Online Tenure

Base: Total respondents (n=1,001)

% saying they have done each in a search engine like Google

	<u>Total</u> (n=1,001)	<u>Number of Years Online at Home</u>		
		<u>Less than</u> <u>2 years</u> (n=201)	<u>2 to less</u> <u>than 5 years</u> (n=413)	<u>5 or</u> <u>more years</u> (n=367)
	%	%	%	%
Checked for their own name	26	21	19	37
Checked for the name of someone they know	36	24	30	49

“Have you ever (INSERT ITEM) in a search engine like Google?”

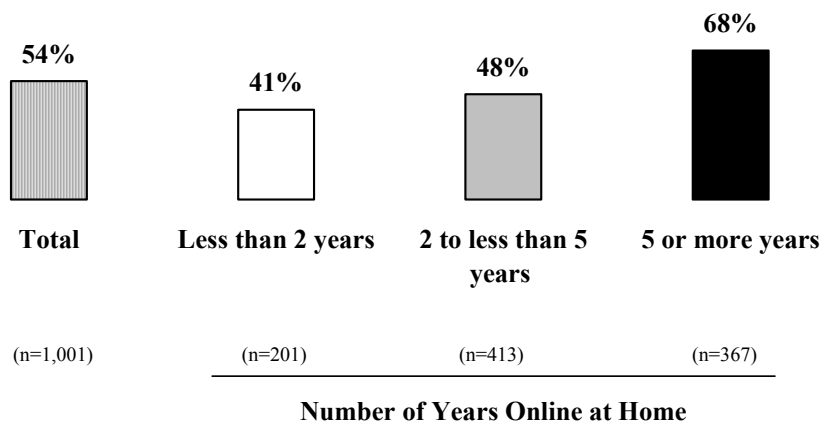
VII. Online As a Career Resource

Most Are Online on the Job

Half of online consumers (54%) also have online access at work. Among those with home online access five or more years, this number is fully 68%. Those with online access at work report spending more time online on the job per week than they do at home (reported average of 9.6 vs. 8.4 hours).

Most Online on the Job – By Online Tenure

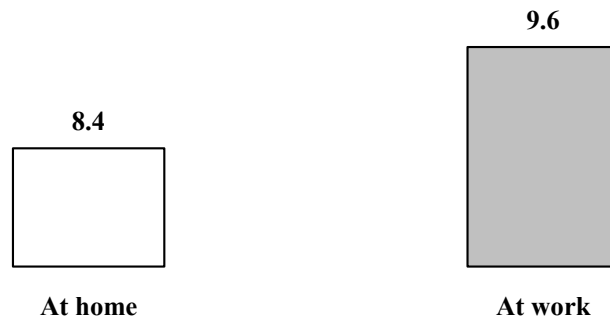
Base: Total respondents (n=1,001)



“How long ago did you first go online at work?”

Number of Hours Spent Online

Base: Total respondents (n=1,001)



Average reported hours spent online

“About how many hours in a typical week do you go online?”

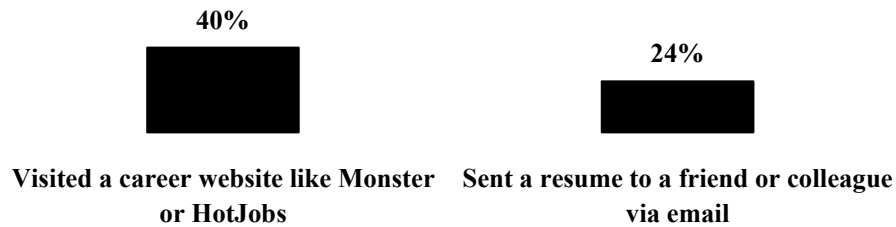
Many Have Looked for a New Job Online

As the online medium becomes an increasingly important way to connect with others, it follows that online consumers are also using the medium to explore new career opportunities. Forty percent say they have visited an online career site like Monster or HotJobs, while one-fourth (24%) have sent their resume to a friend or colleague via email as part of a job search. More seasoned users are even more likely to do so.

However, younger online consumers are more likely than their older counterparts to use the online medium to advance their career plans.

Online Career Resources

Base: Total respondents (n=1,001)
% saying they have ever done each



“Have you ever visited an online career site like Monster or HotJobs as a part of a job search, or not?”

“Have you ever sent your resume to a friend and/or colleague via email as a part of a job search, or not?”

Online Career Resources – By Online Tenure

Base: Total respondents (n=1,001)

% saying they have ever done each

	<u>Total</u> (n=1,001)	<u>Number of Years Online at Home</u>		
		<u>Less than 2 years</u> (n=201)	<u>2 to less than 5 years</u> (n=413)	<u>5 or more years</u> (n=367)
	%	%	%	%
Visited career website	40	33	39	45
Sent resume via email	24	11	24	34

“Have you ever visited an online career site like Monster or HotJobs as a part of a job search, or not?”

“Have you ever sent your resume to a friend and/or colleague via email as a part of a job search, or not?”

Online Career Resources – By Age

Base: Total respondents (n=1,001)

% saying they have ever done each

	<u>Total</u> (n=1,001)	<u>Age</u>		
		<u>18-24</u> (n=132)	<u>25-49</u> (n=508)	<u>50+</u> (n=308)
	%	%	%	%
Visited career website	40	56	45	21
Sent resume via email	24	31	28	11

“Have you ever visited an online career site like Monster or HotJobs as a part of a job search, or not?”

“Have you ever sent your resume to a friend and/or colleague via email as a part of a job search, or not?”

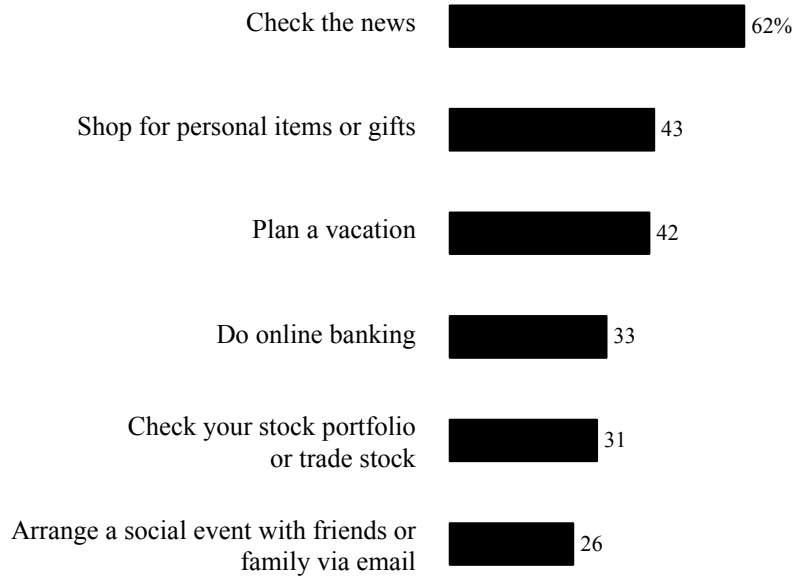
Internet Provides Convenient Way to Keep Up With Personal Tasks While at Work

As half of online consumers go online at work (54%), it follows that many sometimes go online at work to help keep up with personal tasks and to keep connected to the outside world. For example, six in 10 say they sometimes take a few minutes out of their workday to go online at work to check the news (62%), while four in 10 sometimes take a few minutes to shop for personal items or gifts (43%) or plan a vacation (42%). About one in three sometimes goes online at work to do online banking (33%), check stock portfolios or trade stock (31%), or arrange a social event with family and friends (26%).

Online on the Job

Base: Those with Internet access at work (n=543)

% saying they have ever taken a few minutes out of their workday to...



“Have you ever taken a few minutes out of your workday to do any of the following activities online?”

VIII. Technical Appendix

America Online, Inc. commissioned leading market and opinion research firm RoperASW to conduct the America Online/RoperASW Cyberstudy 2002 – an in-depth survey of consumers who have Internet access at home.

RoperASW conducted this research via telephone among 1,001 home Internet/online subscribers over 18 years of age. The interviews were conducted from September 15, 2002 until October 13, 2002. The data were weighted by sex, age, education, marital status, parents, and region to ensure an accurate representation of the study universe. The results of this research are projectable to the entire population of adults in the US who go online from home.

The margin of error for the entire sample is ± 3.2 percentage points. The margin of error for subgroups may be higher.