

# Changing Media

CREATIVE THINKING FOR A CONNECTED WORLD

## **UK Internet Usage 2007**

14<sup>th</sup> December 2007

# Contents

<b>Chapter 1</b>	<b>Objectives, limitations and measures .....</b>	<b>6</b>
1.1	Our method .....	6
1.2	Limitations and measures .....	6
1.3	Measures of usage.....	7
<b>Chapter 2</b>	<b>Internet access .....</b>	<b>10</b>
2.1	Summary .....	10
2.2	General access to the internet .....	11
2.3	Internet access by demographic .....	12
2.4	Types and places of internet connection .....	17
2.5	Obstacles to internet usage .....	22
2.6	Implications for the BBC.....	24
<b>Chapter 3</b>	<b>Patterns of online use .....</b>	<b>26</b>
3.1	Summary .....	26
3.2	Frequency and time spent online .....	27
3.3	Leading online activities .....	31
3.4	Implications for the BBC.....	51
<b>Chapter 4</b>	<b>Social networking and user-generated content .....</b>	<b>53</b>
4.1	Summary .....	53
4.2	Social networking .....	54
4.3	Growth of social network sites .....	55
4.4	Who uses social networking sites (by demographic group).....	61
4.5	Gaming and virtual worlds.....	64
4.6	User-generated content (UGC) services.....	66
4.7	The future and impact on BBC.....	72
<b>Appendix 1:</b>	<b>Useful sources.....</b>	<b>77</b>
<b>Appendix 2:</b>	<b>Methodologies .....</b>	<b>83</b>

## List of tables

Table 2.1: Access to the internet by individuals .....	11
Table 2.2: Share of households with internet access (%) .....	11
Table 2.3 Percentage of adults by age using the internet.....	13
Table 2.4: Internet penetration by demographic.....	13
Table 2.5: Effect of education on internet access .....	14
Table 2.6: Proportion of men and women using the internet by age, 2006 (%).....	15
Table 2.7: Location of internet access 2003 and 2007 .....	20
Table 2.8: Adults who have accessed the Internet in the last 3 months, by mobile devices, UK 2007.....	21
Table 3.1: Frequency of use of the internet in the last 3 months, by recent internet users, by sex and age group, UK, 2006 and 2007-12-17 .....	28
Table 3.2: Different media hours compared with time online for users and non-users of the internet.....	30
Table 3.3: Top ten activities for all online population (by unique audience, 2007) .....	31
Table 3.4: Top ten activities online for all online population 2007 (minutes per week).....	32
Table 3.5: All users top activities October 2007 .....	32
Table 3.6: Top 20 websites by time (October 2007) .....	36
Table 3.7: Information seeking online (percentage of internet users).....	38
Table 3.8: Percentage share of internet users that email .....	41
Table 3.9: The top ten film and TV websites (by unique users) September 2007 .....	44
Table 3.10: Top ten sports sites by unique audience, October 2007.....	46
Table 3.11: Leading online transaction activities.....	47
Table 3.12: Growth of banking online 2004-07 .....	48
Table 3.13: Growth of unique users for all educational resources sites, 2007 .....	49
Table 3.14: Growth of unique users for all career development sites, 2007.....	49
Table 3.15: Online behaviours skewed by gender .....	50
Table 3.16: Online behaviours skewed by age .....	50
Table 3.17: How online behaviour is skewed by income .....	51
Table 4.1: Social networking services: UK users .....	54
Table 4.2: Performance of services against attributes of social networking sites.....	60
Table 4.3: Social networking services: number of users and time spent .....	61
Table 4.4: Growth of member communities, by demographic, 2004-2006 .....	61
Table 4.5: Most popular social networking sites October 2006.....	63
Table 4.6: Most popular social networking sites October 2007.....	63
Table 4.7: Facebook, MySpace and Bebo: usage by age and gender (Nielsen/NetRatings, Database) [UA = Unique Audience] .....	64
Table 4.8: Top 20 websites by time per person per month (October 2007).....	65
Table 4.9: MiniClip vs. Second Life, usage 2006 - 2007.....	66
Table 4.10: 2006-2007 Usage of popular user-generated content sites, unique audience, (home and work).....	68

Table 4.11: Audience and time spent data for popular UGC sites, YouTube, Wikipedia, Blogger & Flickr, Oct 07 (home and work) .....	68
Table 4.12: Creativity and production online .....	71
Table 4.13: Creativity and production online by lifestage .....	71
Table 4.14: Key demographics and audience figures for Blogger, October 2007 .....	72

## List of figures

Figure 2.1 Internet use by age.....	13
Figure 2.2: Proportion of each social group accessing the internet (July – Sept 2007).....	15
Figure 2.3: Growth of internet penetration by social group and age (2004-2007) .....	17
Figure 2.4: UK residential internet connections.....	18
Figure 2.5: Location of internet access (percentage of UK adult population, Q1 2007) .....	19
Figure 2.6: Different types of access to the internet in the household .....	21
Figure 2.7: Use of features on mobile phones: internet users and non-users in 2007 .....	22
Figure 2.8: Reasons for not having the internet at home .....	22
Figure 2.9: Reasons for non-internet usage by lifestyle .....	24
Figure 3.1: Hours per person spent on the internet in a typical week 2007 (with 2005 and 2006 for comparison).....	29
Figure 3.2: Internet usage by gender (by total time spent online, April 2007) .....	30
Figure 3.3: Internet use by age, April 2007 .....	30
Figure 3.4: Top twenty websites by unique audience in October 2007 (million) .....	36
Figure 3.5 Information seeking online by gender .....	39
Figure 3.6: Frequency of using voice over internet protocol .....	42
Figure 3.7: Entertainment and leisure online by gender.....	44
Figure 4.1: 2006-2007 Audience growth of social network sites Bebo, Facebook, LinkedIn, Myspace.com.....	56
Figure 4.2: UGC – Top 4 Video sharing sites Oct 06-Oct 07 .....	68
Figure 4.3: Trend data for top 5 photo-sharing sites by unique audience.....	70

## IMPORTANT NOTE:

**The report is written for use only by the BBC Trust. Any publication of the report or use other than by the BBC Trust must first be approved in writing by a Director of Changing Media Limited. All material contained in the report is publicly available, or has been provided from databases kept by research companies, or has been made available by the BBC to Changing Media Limited who can accept no liability for the accuracy of the data or any commercial decisions that may be made on the basis of the information contained.**

**Should there be a requirement to publish this report some material may need further copyright clearance.**

## **For further information please contact:**

**Nick Paske or Jonathan Drori**

**Changing Media Limited**

**2 Sheraton Street**

**London**

**W1F 8BH**

**[bbctrust@changingmedia.co.uk](mailto:bbctrust@changingmedia.co.uk)**



## **Chapter 1 Objectives, limitations and measures**

This report assesses the changes in patterns of UK internet access and use over the last four years. We have also suggested some ways in which online usage may develop and included some implications for the BBC, taking into account the organisation's stated public purpose.

### **1.1 Our method**

The report is based upon extensive desk-based and online research using available sources. We have acknowledged the sources we have used. Those which we have directly used in the report are referenced in the text, while the rest are listed under 'sources' at the end of the report. It was not in our brief to conduct any primary research except to talk to several industry leaders in the online world. Our approach therefore involved:

- collating and assessing the research and data available;
- creating hypotheses and tested against the research;
- augmenting our own knowledge and experience by conducting a small number of informal interviews with industry experts in order to refine hypotheses and deal with the many inconsistencies in the data (q.v.);
- checking hypotheses again against data.

### **1.2 Limitations and measures**

The web is both relatively new and rapidly changing. Unsurprisingly, measures of user behaviour are still immature. The studies and data on which this report necessarily depends have used different methodologies (such as surveys and direct measurement) and the questions they were designed to answer are rarely consistent with each other.

As the internet and users' behaviours have developed, so too has the sophistication of the measures of what people are doing online. While increased understanding is helpful, there are very few long-term tracking studies of online usage and those that do exist have often necessarily needed to change their methodologies over the years, resulting in inconsistent data-sets.

Reliable comparisons between audiences and the applications they use, especially across time, are fraught with problems. Readers should be aware that there is an element of art as well as science to this report.

Jonathan Drori and Nick Paske,

with Tiffany Tsang, Sally Barrat and Claire Harcup

Changing Media, December 2007

### **1.3 Measures of usage**

The various measures of internet use are unreliable in a variety of ways. Some of them are only relevant in particular contexts.

#### **Hits**

The first widely used measure was server 'hits' – the total number of times that files were downloaded. With this measure, a single page view with a variety of small icons and other graphic files might result in many 'hits'. Hits were easy to measure and were popular because inevitably they led to large numbers and impressive-sounding statistics. However, the number of hits is so remote from the number of users or their actual behaviour that this measure has been largely left behind.

#### **Page-views**

A somewhat more useful measure has been page-views – how many times full pages have been downloaded. This metric has the advantage of being linked at least to some degree to value to audiences or their behaviour. This measure is still in wide use though there are some important disadvantages.

Websites can be designed so that parts of what users see can be updated without having to download a new page each time, with obvious benefits to performance. However, such traffic would probably not register as a page-view. Conversely, if websites are designed to contain less information on each page, forcing users to click more frequently, this will necessarily increase the number of page-views. There are widespread examples of this practice among popular websites and operators have strong incentives for doing this. Again, it allows impressively large numbers to be quoted, and on commercial sites this doubtless affects advertising revenue.

In our opinion, page-view metrics are never very useful in absolute terms. However, they can be a useful indicator of change in audience uptake in tracking studies, but only where layout and other factors remain constant. The danger of using page-views in a report such as this is that we cannot know how individual site design may have changed over the years in ways that would dramatically affect numbers of page-views.

#### **Click-throughs**

Commercial companies have become more interested in measuring the number of click-throughs from specific advertising or commercial activities.

#### **Value measures**

Public service organisations are likely to be most interested in measures of value and 'mind share' delivered to audiences. The closest proxies to these that we have are:

##### Number of unique users

What is the number of different individuals using a service? In fact, unless individuals have their own registration and log-in procedure (as with online banking) then this tends to be a measure of the number of unique computers accessing the service. These figures need to be used with care as in educational institutions and in some businesses, a large number of

different users may appear as just one person. Of course, by simply reporting the number of unique users, we don't achieve an understanding of what they're behaviour is like. Are they dropping in for a few moments every few weeks, or spending several hours a day? The number of unique users might be the same either way.

#### Number of user-sessions

How many times do individuals use a service? Again, this metric generally measures the total number of computers accessing the service. By measuring user-sessions we will count those people who access a site frequently but would not be able to tell how long they spend each time, nor the total number of users.

#### Time spent online per person

The total amount of time spent online per person gives an indication of the usage patterns on a site – whether people are coming for a brief drop-in or a deep engagement for several hours. Research companies compensate for the high use of applications (such as instant messaging to which users may be logged-in all day) that would be indicated by this method by requiring a certain amount of user activity (usually every half-hour). Some of them only measure time when that particular application is open in the foreground of the user's desktop, though this, of course, takes no account of time that a user spends with her mind or body elsewhere. Finally, the faster the connection that someone has to the internet, the less time they need to spend downloading material, which will again affect this measure.

### **None of these measures is perfect**

All the measures are useful to some degree. They can all be used in tracking studies of one particular site where the design remains constant over time. However, there are advantages and disadvantages to each when it comes to understanding the use and uptake of particular applications. For example:

- If someone sends a long message, typing straight into an email application, that behaviour is likely to be counted differently from a person who composes the same message in a word-processing application and then attaches it to an email which may take just seconds to compose.
- If a child downloads a game from a website and then plays it obsessively for several days, should this be counted differently from his brother who plays for the same length of time but online?

We must be especially careful when comparing usage patterns across different applications each of which may be suited to a particular measure.

For example:

- It isn't sensible to use the same measures for an online streamed-music service as for a search engine. For the former, some measure of engagement such as time spent listening will be important. For the latter, time-measures are of less interest than the total number of users and how often they use the service.



The same considerations apply to the comparison, say, between the engagement with social software and conducting online shopping.

In the absence of large-scale, intrusive and expensive monitoring of real human behaviour, taken together and interpreted wisely, the above measures provide the most useful indicators of usage patterns. They should be used in conjunction with qualitative survey data, as we have tried to do here.

## Chapter 2 Internet access

This chapter focuses on who has access to the internet and who does not.

Two thirds of the UK population use the internet in 2007.

In relation to access, the BBC faces two central challenges in fulfilling its public purpose via the web:

1. When offering services, to take into account the audiences that do, and do not have access.
2. Whether and how the BBC should stimulate further uptake of the internet by those who have not already done so.

### 2.1 Summary

- By September 2007, two thirds of the total UK population were online, having increased from about half in 2004. This amounts to a compound annual growth rate (CAGR) of 7%.
- There is significant variation (51-69%) in access in different parts of the UK.
- The growth of broadband has been remarkable. A compound annual growth rate of 45% since 2004 led to penetration of 52% of all households, or 83% of household internet connections by 2007.
- 92% of internet-connected households with children have broadband.
- However, 2.7 million internet-connected homes still make do with narrowband and say they would find high bandwidth services such as picture uploading and video streaming difficult.
- The gender gap on average has narrowed but older women are still much less likely than older men to be online.
- The online population is still younger, more educated and wealthier than average.
- Those who do not use the internet tend to be older, poorer, less educated, disabled, or from some ethnic minorities.
- 90% of 16-24 year olds are online compared with 25% of over 65s.
- The demographic groups with the lowest levels of internet access now have the highest growth rates. This means that the 'access gap' between internet users and internet non-users (as defined solely by internet access) is narrowing.
- Using a broader definition of access as 'having the skill and resources to be able to use a wide range of applications whenever one likes', a secondary digital divide has opened.
- The most frequent point of access continues to be the home, but 63% of internet users say they have access in more than one place.

- Research studies vary a good deal in their explanations for the reasons for internet non-use. The key issues are lack of perceived relevance and lack of the necessary skills.

## 2.2 General access to the internet

Since the beginning of 2004 the number of individuals who use the internet has increased from about half to around two thirds of the UK population. Ipsos MORI estimates that 55% of individuals in 2004 accessed the internet at home or at work and that had risen to 65% in 2007.<sup>1</sup> Eurostat records similar levels of internet connection by adults who access the internet at least weekly in 2007 but that it has increased from 49% in 2004 (as opposed to 55%).

**Table 2.1: Access to the internet by individuals**

Share	2004	2005	2006	2007
Share of 16-74 year olds accessing the internet at least once a week over 3 months	49%	54%	57%	65%

**Source:** Eurostat<sup>2</sup>

The number of households, as opposed to individuals, with access to the internet has followed a similar pattern of growth and penetration, which is no surprise because the single most important location of access to the internet for most people is the home (94% of all users in 2007).<sup>3</sup>

**Table 2.2: Share of households with internet access (%)**

Source	2004	2005	2006	2007
Continental Research	50%	56%	57%	60%
Eurostat	57%	60%	63%	67%
OECD	56%	60%	n/a	n/a
Ofcom	56%	58%	62%	63%
ONS (UK)			57%	61%
ONS (GB)	51%	55%	57%	61%
OxIS	n/a	61%	n/a	66%

**Source:** Continental Research, Eurostat, OECD, Ofcom, ONS 2007, OxIS 2007<sup>4</sup>

<sup>1</sup> Ipsos MORI, *Technology Tracker September 2007: Two thirds use internet at home or work*, September 2007.

<sup>2</sup> Eurostat Information Society Computer and the Internet 2007. (Data collected by the National Statistical Institutes or Ministries and is based on Eurostat's annual model surveys on ICT (Information and Communication Technologies) usage and e-commerce in enterprises and ICT usage in households and by individuals).

<sup>3</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>4</sup> a) Continental Research, *Internet & Convergence Report: Autumn 2007*, May 2006, p

In 2004 the Office of National Statistics (ONS) estimates that there were just over 12 million households in Great Britain connected to the internet and that grew by 7% compound annual growth rate (CAGR) to around 15 million households in 2007.<sup>5</sup>

Within the UK there is a large national and regional variation between the highest and lowest share of households connected to the internet. At the highest end, 69% of households in the south west of England and in London are connected to the internet, whilst at the lowest end there are just 51% of households in both the north east of England and Northern Ireland with internet connection.<sup>6</sup>

### **2.3 Internet access by demographic**

The online population tends to be more educated, wealthier and skewed towards those living in London, the south and east of England. The internet is also used more by adults under the age of 55. Students are almost certain to have access to the internet. Older men are much more likely than older women to be connected, but younger women are as likely as younger men to use the internet and the gender gap overall has narrowed in the past few years.

Conversely, those people not connected to the internet are likely to be older, poorer and less educated. They are also more likely to live in north east England, Yorkshire & Humber and Northern Ireland.<sup>7</sup> As noted above older women are more likely to not use the internet. Two thirds of those with disabilities do not use the internet.<sup>8</sup> Ethnic minorities on average have a comparable level of internet access with the rest of the UK internet population,

---

47

(b) Eurostat, *Population & Social Conditions, Information & Society Statistics*.

(c) OECD, *Country Statistical Profiles*, United Kingdom.

(d) Office of Communications (Ofcom), *The Communications Market 2007: Part 4 Telecommunications*, p 259

(e) The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 1

(f) Dutton, W. and Helsper, E.J. (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK), p 1

<sup>5</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 1

<sup>6</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 2

<sup>7</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 2

<sup>8</sup> Dutton W and Helsper E J (2007) *The internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 13

but 'black African' and 'black Caribbean' people are less likely to have internet access.

### Internet access by age and social group

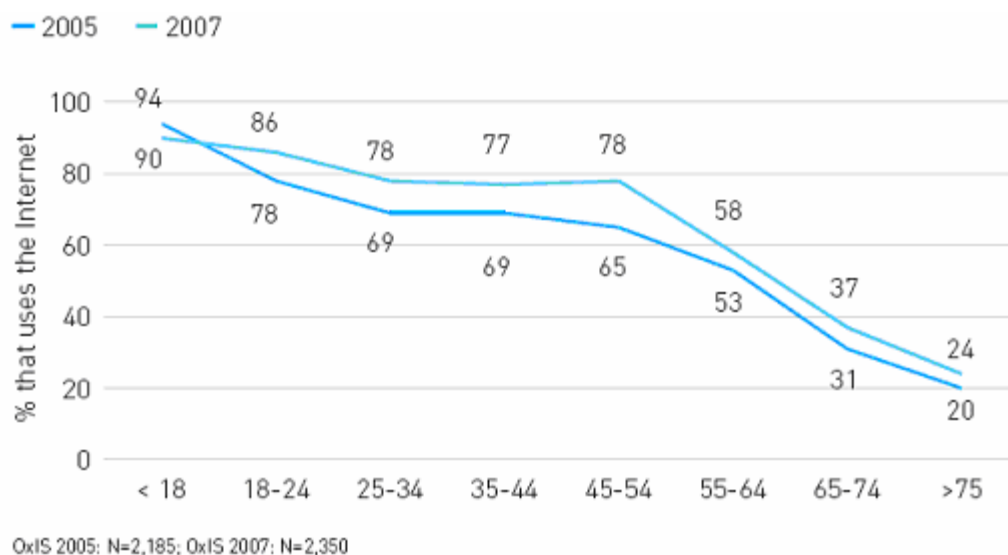
Although some studies have found a very strong correlation between internet usage and age (the younger being more likely to be connected to the internet, the older less likely), other sources suggest that the highest internet penetration is within the mid 30s to late 40s age group.<sup>9</sup>

**Table 2.3 Percentage of adults by age using the internet**

Age	2006	2007
16-24	83%	90%
25-44	79%	80%
45-54	68%	75%
55-64	52%	59%
65+	15%	24%

Source: ONS 2007<sup>10</sup>

**Figure 2.1 Internet use by age**



Source: Oxford Internet Surveys 2007, p 11<sup>11</sup>

**Table 2.4: Internet penetration by demographic**

**% with internet access at home or work, July-September 2007**

<sup>9</sup> (a) Ipsos MORI, *Technology Tracker September 2007: Two thirds use internet at home or work*, September 2007; (b) Nielsen//NetRatings, *Netview Database October 2006-October 2007*.

<sup>10</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 5

<sup>11</sup> Dutton, W. and Helsper, E.J. (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK), p 11

## Change in figures from July-September 2004

In answer to the question: which of these, if any, do you personally use?

%	All	16-24	25-34	35-44	45-54	55-64	65+
All	65 <sup>+10</sup>	76 <sup>+7</sup>	73 <sup>+5</sup>	81 <sup>+12</sup>	72 <sup>+9</sup>	64 <sup>+19</sup>	25 <sup>+9</sup>
AB	83 <sup>+6</sup>	94 <sup>+4</sup>	95 <sup>+3</sup>	94 <sup>+5</sup>	92 <sup>+3</sup>	84 <sup>+9</sup>	48 <sup>+14</sup>
C1	72 <sup>+6</sup>	84 <sup>+5</sup>	84 <sup>+5</sup>	92 <sup>+12</sup>	80 <sup>+5</sup>	70 <sup>+17</sup>	28 <sup>+8</sup>
C2	58 <sup>+11</sup>	75 <sup>+9</sup>	69 <sup>+8</sup>	78 <sup>+18</sup>	65 <sup>+15</sup>	55 <sup>+20</sup>	17 <sup>+7</sup>
DE	39 <sup>+9</sup>	57 <sup>+6</sup>	45 <sup>+5</sup>	53 <sup>+11</sup>	42 <sup>+12</sup>	36 <sup>+19</sup>	12 <sup>+7</sup>

Base: 6,010 GB adults 16+, 12th-17th July, 23rd-29th August, 20th-25th September 2007; 12,000 GB adults aged 16+, July – September 2004

Source: Ipsos MORI 2007<sup>12</sup>

All sources, however, suggest that there is an age around the early fifties above which there are fewer people connected to the internet and below which more people are connected as a proportion of their demographic group. In particular, the over 65s have a low proportion using the internet. At the other extreme, students in particular are virtually all connected to the internet (97% in 2007), and have been since at least 2003 (when 98% of students were connected).<sup>13</sup> Indeed, education has a direct correlation with internet adoption. The higher the level of education the more likely is the use of the internet.

**Table 2.5: Effect of education on internet access**

Level of education	Percentage with internet access
Higher education	90%
Further education	78%
Basic education	55%

Source: Oxford Internet Surveys 2007<sup>14</sup>

Related to education is income and the Oxford Internet Institute finds that those in the highest income category (> £50,000) are more than twice as likely to use the internet than those in the lowest income category (<£12,500).<sup>15</sup>

Income and education (as represented by A - E social groups) appear to be particularly strong factors in determining high penetration levels of internet access, whereas age appears to be the main factor in determining low levels

<sup>12</sup> Ipsos MORI, *Technology Tracker September 2007: Two thirds use internet at home or work*, September 2007

<sup>13</sup> Dutton W and Helsper E J (2007) *The internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 11

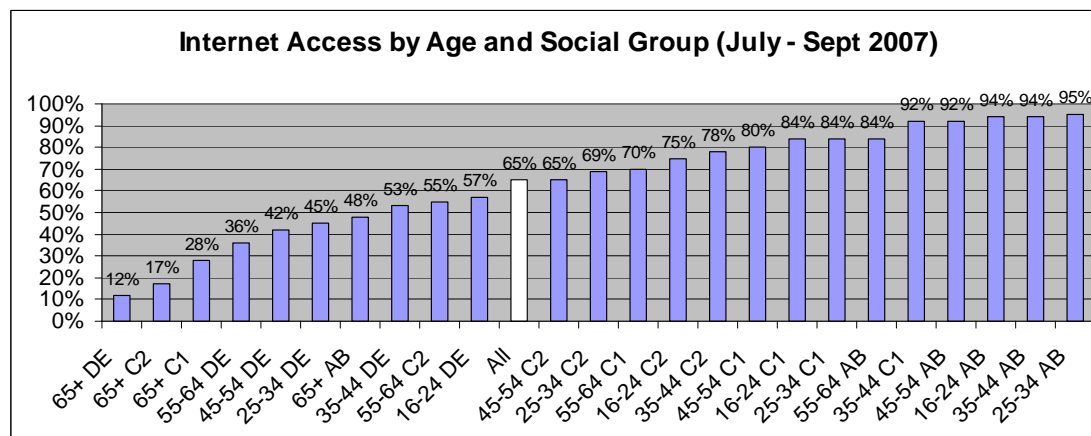
<sup>14</sup> Dutton W and Helsper E J (2007) *The internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 12

<sup>15</sup> Dutton W and Helsper E J (2007) *The internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 12

of internet adoption. According to Ipsos MORI, the top three levels of adoption are by social group (AB) and the bottom three are by age (65+).

Although age is a key driver of low internet usage, within the older age groups income also has a powerful effect on the use of the internet for that age group. Just 12% of 65+ DEs are connected whilst 48% of 65+ ABs are connected.

**Figure 2.2: Proportion of each social group accessing the internet (July – Sept 2007)**



Source: Ipsos MORI 2007<sup>16</sup>

### Internet access by gender

Women are equally represented online in the younger age groups. However, an internet gender gap widens with age. Older men over 55 are twice as likely to access the internet daily than older women over 55. The difference reflects confidence and skill in using computers.<sup>17</sup>

**Table 2.6: Proportion of men and women using the internet by age, 2006 (%)**

Age	Daily		Once a week	
	Women	Men	Women	Men
16-24	50	50	72	71
24-54	40	54	59	74
55-74	13	26	25	41

Source: Eurostat<sup>18</sup>

Since 2004 the number of women accessing the internet has been growing four times faster than men. For women the compound annual growth rate was 13% between 2004 and 2007, whilst for men it was 4%.<sup>19</sup>

<sup>16</sup> Ipsos MORI, *Technology Tracker September 2007: Two thirds use internet at home or work*, September 2007

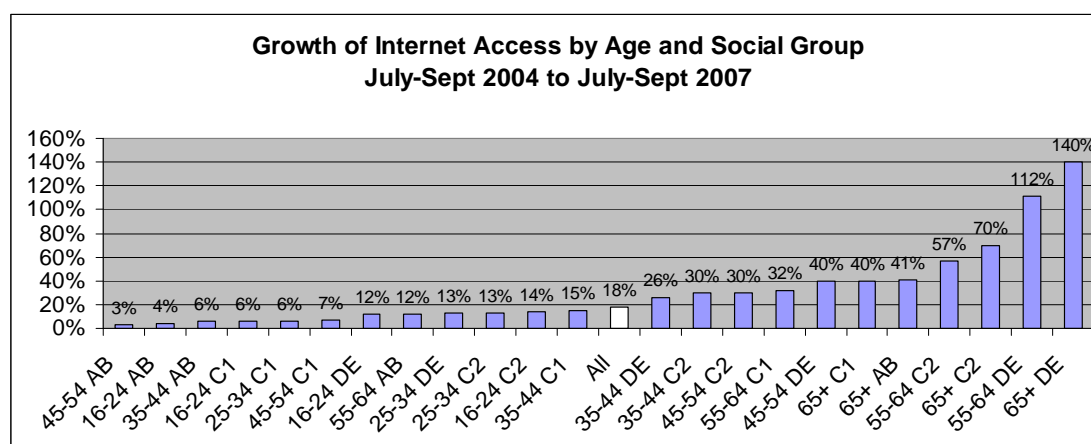
<sup>17</sup> Eurostat, Seybert, Heidi. Eurostat, *Statistics in focus: Population and Social Conditions, Gender Differences in the Use of the Computer and Internet*, 11 November 2007

<sup>18</sup> Eurostat, *Survey on Information and Communication Technologies in enterprises*, 2007





**Figure 2.3: Growth of internet penetration by social group and age (2004-2007)**



Source: Ipsos MORI<sup>24</sup>

Analysis: Changing Media

## 2.4 Types and places of internet connection

### Broadband

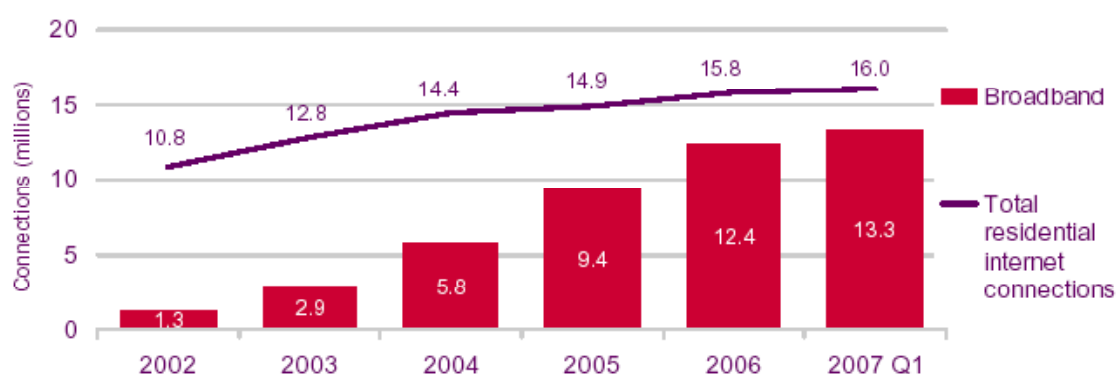
Broadband has played a key role in promoting both the number of people that are online and the patterns of usage. Broadband transforms the online experience. It's quicker, is permanently on, offers richer media experiences and supports new applications. Social networking and user-generated content services struggle on narrowband dial-up connections.

Broadband users do more of everything than narrowband users, with a particularly marked difference in high bandwidth applications such as gaming, music downloading and video streaming.<sup>25</sup> While few consumers utilise the full capability of high bandwidth services, differences in the level of access to broadband create a second tier internet usage gap. In 2007 there are 13.3 million households with broadband connection and 2.7 million that still have narrowband connection.

<sup>24</sup> Ipsos MORI, *Technology Tracker September 2007: Two thirds use internet at home or work*, September 2007

<sup>25</sup> The Office of Communications, *The Communications Market Report 2007: 4 Telecommunications*, 2007, p 309

**Figure 2.4: UK residential internet connections**



**Source:** Office of Communications<sup>26</sup>

Around 52% of households (13.3 million) have broadband access, which means approximately 83% of internet-connected homes have broadband.<sup>27</sup> However, 92% of internet-connected households with children have broadband access.<sup>28</sup> Home broadband connections grew at a very high 45% CAGR between 2004 and the first quarter of 2007 (the latest figures available). This growth has come from internet households that have migrated from narrowband as well as from new internet-connected households.

There are some big regional variations in broadband penetration. London is the most connected region with 60% of households having broadband. Northern Ireland has just 40% of households connected to broadband and the north east of England has 46%.<sup>29</sup> Consequently London has 50% more households connected to broadband than the least connected regions.

It is likely that broadband will continue to increase its share of the number of households further, although its growth rates will fall as it reaches the upper ceiling of internet-connected households. The Oxford Internet Institute canvassed opinion from those with dial-up connections and found that half of them said they were planning to get broadband in the next year.

40% of non-broadband-connected households cited lack of need as their reason for not using broadband, almost double the 21% that considered cost to be the main reason.<sup>30</sup> Compared to other household expenditure on

<sup>26</sup> The Office of Communications, *The Communications Market 2007: Part 4 Telecommunications, 2007*, p 259

<sup>27</sup> Estimates of the exact number of all households with broadband range from 51% to 57%; specific sources suggest 51% (ONS), 52% (Ofcom), 56% (OxIS) and 57% (Eurostat)

<sup>28</sup> Ofcom Communication market report 2007 p315

<sup>29</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 3

<sup>30</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 4

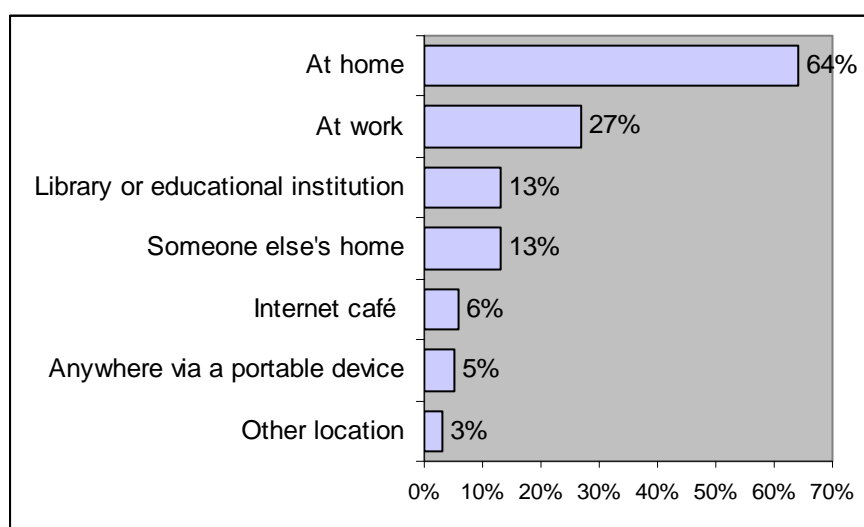
communications services, the internet and broadband are relatively small expenditure items (10% of the total).<sup>31</sup>

### Point of access

The places at which the internet can be accessed have a significant influence on whether and how the internet is used. If people do not have internet at home they are likely to not use it all.

The home remains the most important place at which to access the internet (64% of the UK adult population) followed by work (around 27% of the UK population).

**Figure 2.5: Location of internet access (percentage of UK adult population, Q1 2007)**



**Source:** The Office of Communications<sup>32</sup>

Ipsos MORI research suggests that 63% of the online population are able to access the internet anywhere (and the younger, richer and more educated are more likely to do so, as are males and adults with families).<sup>33</sup> The Oxford Internet Institute reports a steep rise since 2003 in the number of people accessing the internet from another person's house, internet cafés or public libraries. Exploiting the networked nature of the medium, dipping in and out of the internet from multiple points, such as at a café or a friend's house or on the train, mirrors the way in which voicemail is used with mobile phones.

<sup>31</sup> Office of Communications, *The Communications Market 2007: 1 Converging Communications Markets*, p. 17

<sup>32</sup> The Office of Communications, *The Communications Market Report 2007: 4 Telecommunications, 2007*, p 307

<sup>33</sup> 'Internet anywhere' is defined as those individuals who said on the survey that they can and do access the internet anywhere, which could be a combination of using mobile devices (such as PDA, mobile phone or laptop) or, it could mean accessing it at wireless internet cafés or other wi-fi hotspots. Ipsos MORI *Loyalty, Technology Research 2007*, p 4

**Table 2.7: Location of internet access 2003 and 2007**

<b>Location of Use</b>	<b>2003</b>	<b>2007</b>	<b>Growth 2003 – 2007</b>
Home	89%	94%	6%
Work	28%	34%	21%
Another person's house	10%	30%	200%
School/university	13%	16%	23%
Public library	5%	12%	140%
Internet café	3%	9%	200%

**Source:** Oxford Internet Institute, 2007<sup>34</sup>

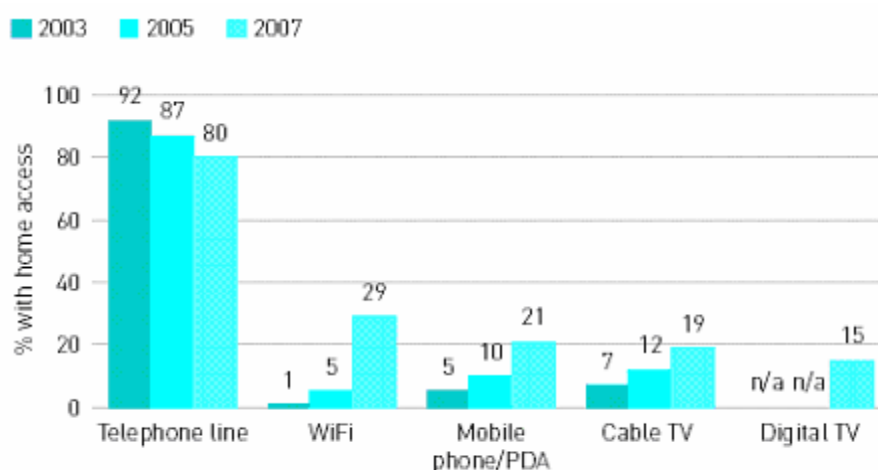
**Note:** The OxIS figures show access as a share of the online population. The Ofcom data in Figure 2.11 is based on a share of the UK population as a whole.

### **Type of access**

Households can access the internet in a number of ways, including telephone lines, cable, digital TV and mobile devices. The traditional telephone line remains the dominant way to access the internet (whether for narrowband or broadband). However, the traditional copper-wire into the home is losing market share to all three of the other platforms, that is, mobile, cable and digital TV. It appears that households are using multiple platforms to connect to the internet. This provides flexibility, ease of use and a greater degree of integration into lifestyles. Use of wireless connectivity in the house and outside provides further flexibility and convenience. Several users can be connected to the internet simultaneously. Wireless (wi-fi) access is growing rapidly. In 2003 just 3% of households had wi-fi. In 2007 this had risen to 29%. Significant investments are being made by commercial operators to develop wireless infrastructure in public and corporate spaces and such services are expected to grow.

<sup>34</sup> Dutton W and Helsper E J (2007) The Internet in Britain: 2007. Oxford Internet Institute, University of Oxford (Oxford, UK) p 43

**Figure 2.6: Different types of access to the internet in the household**



Individuals with home access. OxIS 2003: N=1,172; OxIS 2005: N=1,330; OxIS 2007: N=1,557

**Source:** OxIS 2007, p. 9 *Individuals with home access*. OxIS 2003: N=1,172, OxIS 2005: N=1,330, OxIS 2007: N=1,557<sup>35</sup>

Mobile devices are increasingly used to access the internet and one fifth (21%) of online users now connect via a mobile device (which is twice as many as in 2005).<sup>36</sup>

**Table 2.8: Adults who have accessed the Internet in the last 3 months, by mobile devices, UK 2007**

Device	2007
Portable computer (laptop) via wireless connection	18%
Mobile phone via GPRS	15%
Handheld computer (e.g. palmtop, PDA)	4%
Mobile phone via UMTS (3G mobile)	3%

**Source:** Office for National Statistics, 2007<sup>37</sup>

The most popular method for connecting on the move is via a laptop with wi-fi or broadband mobile access. Operators are increasingly offering faster connectivity to mobile devices and laptops.<sup>38</sup> 3G mobiles have not yet taken hold as a way of accessing the internet.<sup>39</sup>

<sup>35</sup> Dutton W and Helsper E J (2007) *The internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 9

<sup>36</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 9

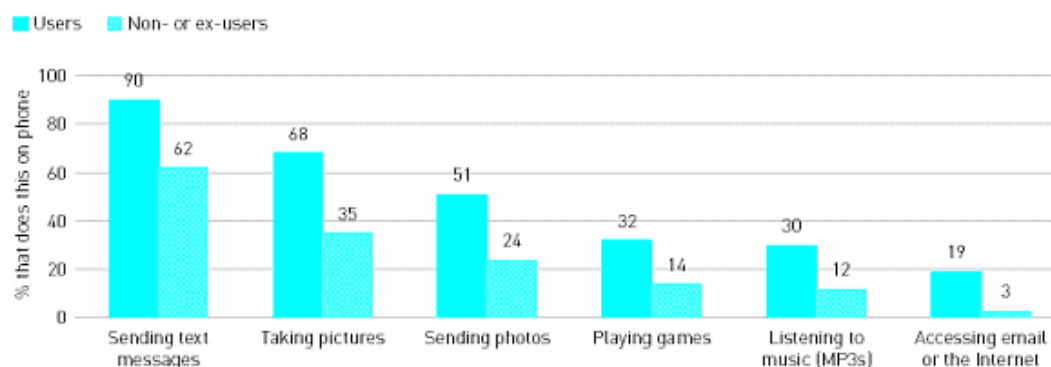
<sup>37</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007, p 8

<sup>38</sup> The Office for National Statistics, *Internet Access 2007: Households and Individuals*, Table: Adults who have accessed the Internet in the last 3 months, by mobile devices, UK, 2007, 28 August 2007, p 8

<sup>39</sup> The Office of Communications, *The Communications Market Report 2007: 4 Telecommunications*, 2007, p 267

Internet users who own mobile phones are more likely to use the functions available on mobile devices than non-users or former-users of the internet. This includes the likelihood of accessing email or the internet via a mobile phone.

**Figure 2.7: Use of features on mobile phones: internet users and non-users in 2007**

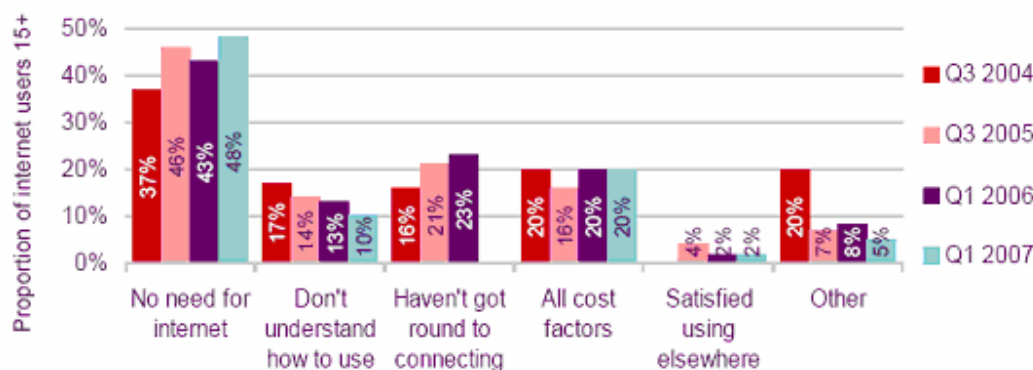


Source: Oxford Internet Institute 2007<sup>40</sup>

## 2.5 Obstacles to internet usage

The reasons for not having internet access vary from study to study. However, costs are generally not seen to be the main obstacle.

**Figure 2.8: Reasons for not having the internet at home**



Source: Ofcom research

Note: Multi-coded question – respondents were asked to state all reasons that were applicable

Source: The Office of Communications<sup>41</sup>

Ofcom research suggests that the main reason for not using the internet is overwhelmingly because there is no perceived need and that this reason has grown since 2004.

<sup>40</sup> Dutton, W. and Helsper, E.J. (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK), p 21

<sup>41</sup> The Office of Communications, *The Communications Market Report 2007: 4 Telecommunications, 2007*, p. 307

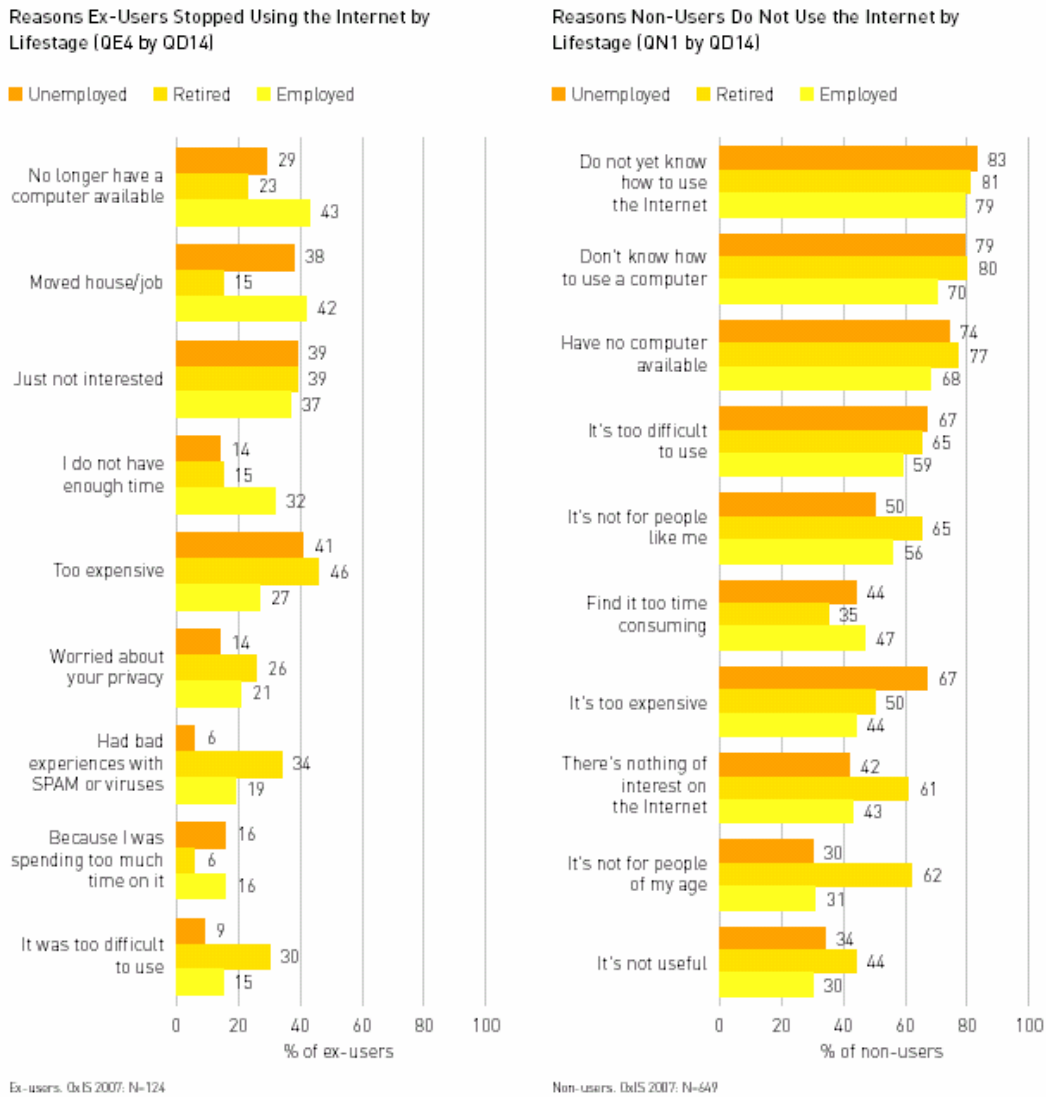
However, the Oxford Internet Institute's research reports that the most commonly cited reasons for not using the internet concern the lack of necessary skills with both the internet and computers. Lack of equipment is also an obstacle. Lack of relevance is only seen as a significant issue for older non-users.<sup>42</sup>

For some people, the internet just does not fit into their lifestyle or needs. A non-internet user is not necessarily digitally excluded or unable to communicate as effectively as an internet user. The mobile phone is ubiquitous, the internet is not, and the mobile phone offers efficient forms of communication (voice, text and photo sharing) that may be sufficient for many users' needs. Furthermore, such users may from time to time use internet-connected applications (such as for music, weather, traffic or travel information) on their phones, without caring or even realising that they are using the internet.

---

<sup>42</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 17

**Figure 2.9: Reasons for non-internet usage by lifestyle**



Source: Oxford Internet Institute<sup>43</sup>

## 2.6 Implications for the BBC

We would not be surprised to see:

- Higher levels of internet access, but overall growth slowing down.
- The demographic groups that use the internet least continuing to grow fastest.
- Higher levels of broadband connection, but at a slower pace of growth.
- Further tiers of broadband access offering higher connection speeds appearing in the marketplace.

<sup>43</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 17



- The most important digital divide among internet users' connectivity continuing to be between narrowband and basic broadband, rather than between broadband and 'super- broadband' connectivity.
- An increase in 'internet anywhere' and growth in access from mobile devices, but an increasing 'digital divide' between those who have the skill, connectivity and desire to use a wide variety of applications whenever they like, and those who don't.
- Economic incentives offered by private sector operators to home consumers to sign up for bundled packages, the so-called 'triple play' (digital TV, telephone and broadband internet connection) may encourage further adoption.
- Significant investments continuing to be made by commercial operators to develop wireless infrastructure in public and corporate spaces.
- However, there are limits to the role the private market will play, not least because cost is not seen to be the main barrier to adopting broadband.
- A residual base of internet non-users remaining (the market will be unable to reach them).
- A continuing increase in consumers' understanding of the internet's potential to reorganise the way we store and use data, how we interact with it and how we communicate.
- Continued growth in the number of users accessing their services from a wider variety of locations.

### **Implications for the BBC**

- Responsibility to promote the adoption of the internet by non-users, using the multiple platforms available to the BBC and working in partnership with organisations on the ground. The target audiences would be the older population, particularly older women, poorer social groups, black Caribbean and black African minorities and those living outside the south of England.
- Broadband is offering more capability to deliver services online and will also provide a platform for competitors to develop quality services.
- The rise of broadband strengthens competitor pressures for the BBC. Entry barriers are low. Everyone can have an audio visual channel (no longer dependent on expensive broadcast equipment) and it's interactive. Everyone can publish. The audience will increasingly fragment as quality personalised services develop.
- The internet is still mainly used at home, but as more mobile access develops the needs of the user will change (different attention spans, different functions).

- There may be a continued rise in the number of users wishing to relate to each other, focused around a common media experience, whether in the same physical space or not. For example, a television viewer of a football match might be instant messaging to one friend who is listening to the game on the radio, and another who is at an internet café, while sharing a sofa and occasional comment with a family member who is playing online chess. We call this the 'digital fireside'. The BBC needs to consider whether and if so how, it can expand this role.

## **Chapter 3      Patterns of online use**

This chapter focuses on the behaviours of those who use the internet.

The challenge for the BBC is to understand how the current and possible future behaviour of those online, together with the changing nature of the internet, impacts on the organisation's internet propositions.

There is no single definitive source for measuring and defining online usage patterns. Each research organisation uses different definitions and approaches. For this reason a summary is given of the kinds of insights that emerge when looking across a range of sources but caution should be used in trying to generate definitive lists.

### **3.1 Summary**

The following points all refer to people who use the internet:

#### **Time**

- The proportion of people who use the internet every day or almost every day has recently risen rapidly from 59% in 2006 to 67% in 2007.
- Between 2004 and 2007 the average length of time online per week increased, although sources differ about the size of this increase.
- The online-time gender gap has probably narrowed. Within the 25 – 34 age group, women spend more time online than men.
- Of those who are connected, the heaviest users in terms of time are the over 65s, and 18 -24 year-olds.
- Time spent online has surpassed time spent watching television. Also, internet users watch 30% fewer hours per week than those who do not have internet access.

#### **Applications**

- For most users the most frequently used applications are search (e.g. Google Search) and general interest portals (e.g. Yahoo).
- However, users spend most of their time communicating, with the most time-consuming activities being social networking, instant messaging and email.

- Overall, the most frequent activities online in 2007 are searching for information using a search engine, using general interest portals, communication (email, instant messaging and member communities), software-downloading and shopping.
- While the number of users of email has remained roughly constant over the last three years, the time spent emailing has increased significantly.
- There has been rapid growth in the use of instant messaging, social networking and sites that depend on user-generated content (these rises have been so marked that we have devoted a separate chapter to these applications).
  - 60% have tried social networking sites, but less than a fifth maintain an active social networking presence on the internet.
- The last three years have seen a shift by users towards using search engines instead of finding what they're looking for through general interest portals and directories.
- Internet telephony is used by 18% of broadband households – probably between 4 and 6 million people.
- E-government is catching on quickly among internet users. 40-50% of online users use the internet for obtaining information from public authorities. This has grown by 19% compounded annual rate since 2004. 7% of the online population have signed an e-petition.
- The most popular entertainment categories in terms of share of internet users are music, video and radio-listening. The share has remained stable over the last few years with a slight skew towards men.
- Women now account for 38% of online game players.
- Auctions and banking are the main transactional activities online. Online banking rose rapidly from 37% of online users in 2004 to 45% in 2006 but has plateaued since then.

### **3.2 Frequency and time spent online**

The value of the internet to its users has increased since 2004 with the growth of broadband and the rise of new and more effective ways to search for information, communicate, transact and be entertained online. Consequently, users access the internet more frequently and spend more time online in 2007 than they did in 2004.

#### **Frequency of use**

In early 2007 approximately 56% of internet-users were online every day, up from 48% in early 2005.<sup>44</sup> Men and the young are more frequent users although the gap between men and women is narrowing. Compared with

---

<sup>44</sup> Ofcom, *Communications Market 2007* p 308

other countries, UK online users are reported to be amongst the most frequent users of the internet and well above the 45% average for usage every day or almost every day across the EU in 2006.<sup>45</sup>

**Table 3.1: Frequency of use of the internet in the last 3 months, by recent internet users, by sex and age group, UK, 2006 and 2007-12-17**

Group	Every day or almost every day		At least once a week (but not every day)		At least once a month (but not every week)		Less than once a month		
	2006	2007	2006	2007	2006	2007	2006	2007	
<b>Per cent</b>									
<b>Men</b>	64	70	26	22	6	5	4	3	
<b>Women</b>	54	63	28	26	12	8	5	3	
<b>All</b>	59	67	27	24	9	6	4	3	
<b>Age groups</b>	<b>16-24</b>	60	70	26	22	9	6	5	3
	<b>25-44</b>	63	70	26	22	8	5	4	2
	<b>45-54</b>	62	67	24	23	10	7	4	3
	<b>55-64</b>	49	60	33	29	13	7	5	4
	<b>65+</b>	43	46	34	29	13	15	11	9

**Source:** Office of National Statistics<sup>46</sup>

### Time online

Estimates of the time that UK users are spending online in 2007 vary dramatically between 8 and 18 hours a week. The different estimates arise because of the different methods (e.g. measurement or questionnaires) used to collect the data, different age groups and different places of internet use that are included (home, work, education, other).<sup>47</sup> EIAA Mediascope's research across Europe indicates that the UK spends about the EU average time online, and is seventh out of the EU countries.

According to EIAA Mediascope the time being spent online in the UK is increasing at around 6% compound annual growth between 2005 and 2007

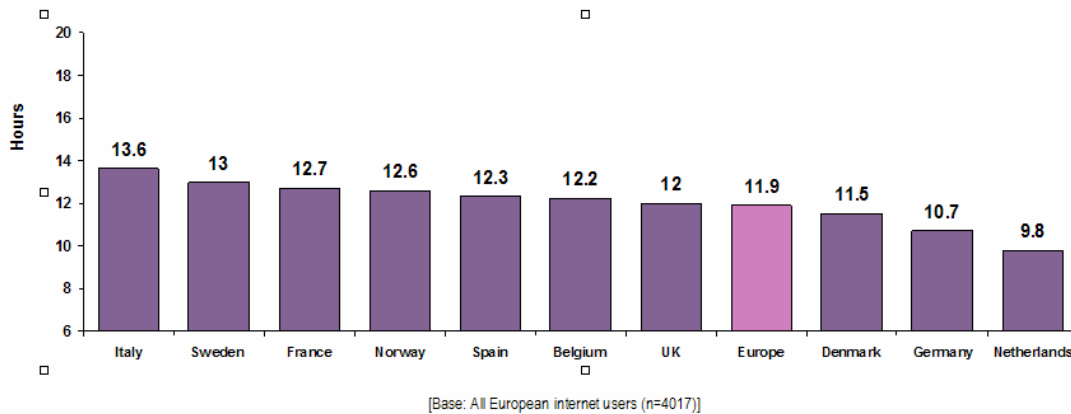
<sup>45</sup> The EIAA 2006 Mediascope study. The study involved 7,036 random telephone interviews with over 1,000 respondents in the UK, Germany, France, Spain, Italy and the Nordics respectively and 500 respondents in Belgium and the Netherlands respectively. Interviews were conducted throughout September 2006.

<sup>46</sup> Office of National Statistics (ONS), *1<sup>st</sup> half of 2007 internet use*, p 6. Note: The ONS defines internet users as those who have accessed the internet in the past three months.

<sup>47</sup> The Oxford Internet Institute cites 18 hours a week in 2007 for all adults at home, work and education, Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 24; Nielsen/NetRatings cites 11 hours a week for all internet users aged 6 and above at home and work; Ofcom estimates 8 hours at home 2007; EIAA Mediascope cites 12 hours 2007.

**Figure 3.1: Hours per person spent on the internet in a typical week 2007 (with 2005 and 2006 for comparison)**

2005 Score	11.1	10.2	12.6	8.7	8.4	11.7	10.7	10.2	10.5	9.0	8.9
2006 Score	12.1	11.4	12	10.4	12.1	11	11.3	11.3	12.6	10.3	10.9



**Source:** EIAA Mediascope Europe 2007, PR Version, p 10

Some portions of the internet community are very heavy users. A report commissioned by Orange found that in April 2007 47% of online households used the internet for more than 3 hours a day.<sup>48</sup> In 2006 █% of the online community were reported to use the internet more than █ hours a week.<sup>49</sup> It is likely that those spending more than 50 hours online are gaming and gambling, as suggested by the top ten sites visited.<sup>50</sup>

Younger and older adults, the wealthy and men spend more time online. Given the high level of penetration of students who use the internet and the nature of their lifestyles it is not surprising to see the 18 to 24 age group as one of the highest users of the internet in terms of time, according to most sources.

Although the over 65s are the smallest adult age group online those that are online are amongst the heaviest users. There are some indications that the gap between women and men is narrowing and that for some age groups (25 to 34 year olds) women spend more time online than men.<sup>51</sup>

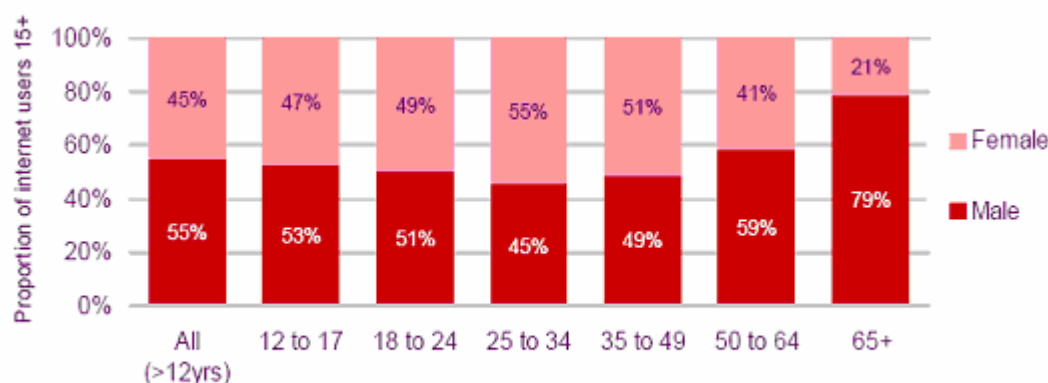
<sup>48</sup> Quoted in Ofcom, *Communication Market Report*, 2007 p 308

<sup>49</sup> █

<sup>50</sup> Nielsen/NetRatings

<sup>51</sup> Nielsen/NetRatings; Ofcom, *Communications Market Report*, 2007 p 309

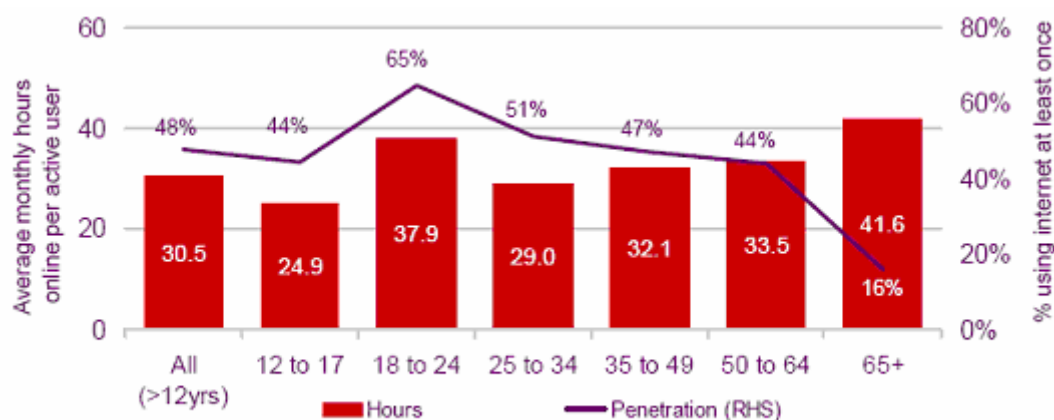
**Figure 3.2: Internet usage by gender (by total time spent online, April 2007)**



Source: Nielsen NetRatings

Quoted in: Ofcom, *Communications Market Report, Telecommunications*, p 30

**Figure 3.3: Internet use by age, April 2007**



Source: Nielsen NetRatings / ONS

Quoted in Ofcom, *Communications Market Report, Telecommunications*, p 309

### Internet usage compared with other media usage

The hours spent using the internet now rivals the hours spent watching the television. Internet users spend more time online than they do watching television and they watch broadcast television for 30% fewer hours than people who do not use the internet.<sup>52</sup>

**Table 3.2: Different media hours compared with time online for users and non-users of the internet**

Media	Non-users	Users	Average
All Online		18	18
TV	24	16	18
Radio	10	8	9
Books	5	5	5
Newspapers	4	3	3

<sup>52</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

Source: Oxford Internet Surveys 2007 p 24

It should be noted that some users of the internet watch television (15%) and listen to the radio online (21%). This, however, will be discussed later.

### 3.3 Leading online activities

The internet has become a mainstream channel for information, communication, transactions and entertainment. They were all key features of the internet in 2004 but they have grown in terms of the numbers of people who do them and the amount of time that they spend doing them. In particular, the last four years have seen the explosive growth of new social software applications like instant messaging and social networks that have strengthened the internet as a communication and networking channel (this is addressed in detail in Chapter 4).

#### Top ten activities by number of users

The main activity on the internet by number of users is searching and visiting general interest portals. Around 90% of internet users use search engines (particularly Google) and 82% use general interest portals (such as Yahoo). Nielsen data also suggests that online software downloading is carried out by a high proportion of internet users (69%). This may be explained by computers receiving automatic updates.

Table 3.3: Top ten activities for all online population (by unique audience, 2007)

Activity 2007	Unique audience (000's)	% doing activity
Search	29,630	90%
General interest portals & communities	27,038	82%
Software manufacturers	22,848	69%
E-mail	20,307	61%
Member communities	19,502	59%
Instant messaging	18,989	57%
Internet tools/web services	18,524	56%
Mass merchandiser	18,234	55%
Multi-category entertainment	17,306	52%
Current events & global news	16,408	50%
	33,081	

Source: Nielsen/NetRatings 2007

At just 60%, we feel that Nielsen probably underestimates the proportion of internet users who use email. Ofcom, for example, estimates that 84% of adult users email.<sup>53</sup> The Oxford Internet Institute estimates that 93% of users have an email address and 70% have sent an email with an attachment.<sup>54</sup>

<sup>53</sup> Ofcom, *Communications Report 2007* p 310

<sup>54</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

Social networking, shopping, entertainment and news and events are the other major activities, and they are each used by half and three quarters of the online population. All categories in the top ten, with the exception of internet tools/web services, have grown both in absolute numbers of users and also in terms of the share of the total internet population. The main difference between 2004 and 2007 unique audience data is the emergence of instant messaging as a top six activity in 2007 (it was not in the top ten in 2004).

### The top ten activities by time

Averaging across all internet users, most time is spent communicating, using instant messaging, email and social networking communities. Each internet user now spends an average of 26 minutes per week on instant messaging, 20 minutes a week in a member community and 15 minutes emailing.<sup>55</sup> Online games (11 minutes), classified / auctions (10 minutes) and search (8 minutes) are the next highest in terms of time spent.

**Table 3.4: Top ten activities online for all online population 2007 (minutes per week)**

Activity	mins/wk/person
1 Instant messaging	26
2 Member communities	20
3 E-mail	15
4 Online games	11
5 Classifieds/auctions	10
6 Software manufacturers	9
7 Search	8
8 General interest portals & communities	8
9 Multi-category entertainment	7
10Adult	6

*July 2007 figures*

**Source:** Nielsen/NetRatings

### The top sixty activities online

**Table 3.5: All users top activities October 2007**

Category Rank UA	Category	Unique Audience [000]	Active Reach (%)
1	Search	29,310	89.7
2	General Interest Portals & Communities	26,865	82.2
3	Software Manufacturers	22,968	70.3
4	Mass Merchandiser	19,607	60.0
5	Member Communities	19,555	59.8

<sup>55</sup> Nielsen/NetRatings September 2007



Category Rank UA	Category	Unique Audience [000]	Active Reach (%)
6	E-mail	19,493	59.6
7	Instant Messaging	18,793	57.5
8	Multi-category Entertainment	17,521	53.6
9	Internet Tools/Web Services	17,450	53.4
█	████████████████████	██████	███
█	██████████	██████	███
█	██████████████	██████	███
█	██████████████	██████	███
█	██████████	██████	███
█	██████████	██████	███
█	██████████████	██████	███
█	██████████	██████	███
█	██████	██████	███
█	██████████████	██████	███
█	████████████████████	██████	███
█	██████████████	██████	███
█	████████████████████	██████	███
█	████████████████████	██████	███
█	██████████	██████	███
█	██████████	██████	███
█	████████████████████	██████	███
█	██████████	██████	███
█	██████	██████	███

Category Rank UA	Category	Unique Audience [000]	Active Reach (%)
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■
■	■	■	■

Category Rank UA	Category	Unique Audience [000]	Active Reach (%)
■			
■			
■			
■			
■			
■			
■			
■			
■			
■			
■			

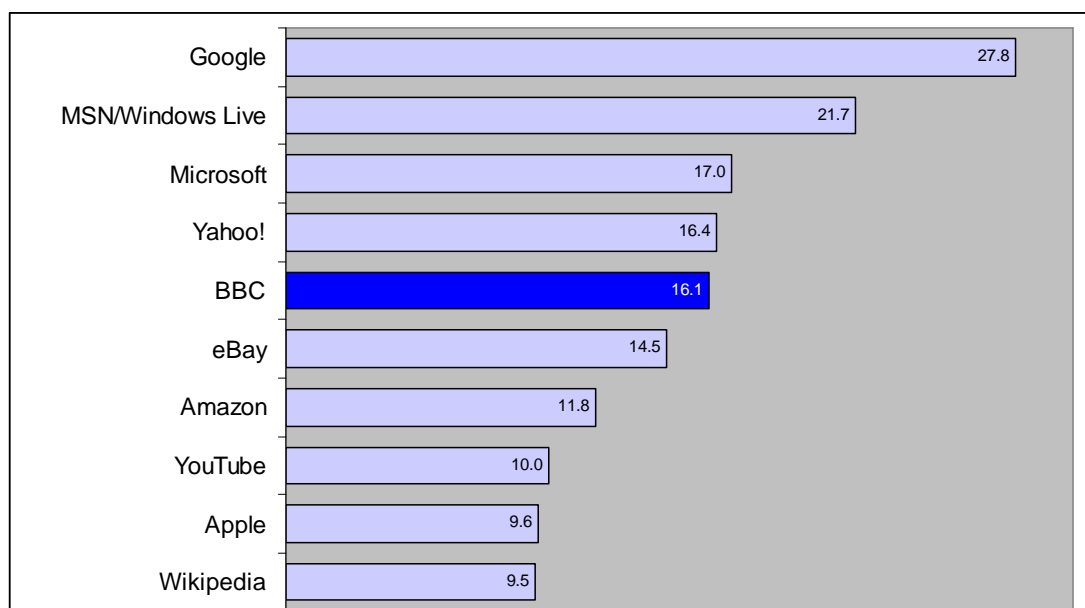
Source: Nielsen/NetRatings

### Top twenty websites by size of unique audience

The BBC ranks as the fifth most used internet site in the UK in 2007 (Fig. 3.9) and is striking by being the only traditional media player in the top twenty list. The four competitors above the BBC are search and general interest portals and signify the importance of search as an activity online and the scale of the BBC's challenge in that particular online function.

The BBC position in the top twenty also masks the myriad smaller players that are competing with the BBC for ever more tightly defined and fragmented audiences. As we shall see in a later section this is particularly marked in the online video and television category where YouTube has surpassed the BBC as the number one player.

**Figure 3.4: Top twenty websites by unique audience in October 2007 (million) - redacted**



Source: Nielsen/NetRatings Oct 2007

### Top twenty websites by time visited

Although when measured by the number of unique users the BBC is ranked 5<sup>th</sup>, it was ranked 8<sup>th</sup> by total time spent. This means that the BBC is less 'sticky' than some of its major competitors. Furthermore, Table 3.6 shows that the BBC doesn't make it into the top 20 stickiest sites.

**Table 3.6: Top 20 websites by time (October 2007)**

Total time		Time per person (per month)	
Site	(minutes)	Site	(hrs:mm)
Total all sites	36,021,677	Total all sites	18:43
1 MSN/Windows Live	3,581,140	1 Second Life	28:43
2 EBay	1,809,834	2 Blizzard Entertainment	24:20
3 Google	1,571,282	3 FullTiltPoker.com	09:39
4 Yahoo!	1,398,391	4 PokerStars.com	08:56
5 Facebook	1,396,505	5 mIRC	08:02
6 AOL Media Network	1,339,831	6 Playandwin.com	07:53
7 Microsoft	879,721	7 Habbo	07:45
8 BBC	844,037	8 Travian.com	07:27
9 Bebo	651,785	9 Puzzler	06:21
10 YouTube	502,434	10 paltalk.com	05:47
11 [REDACTED]	[REDACTED]	11 [REDACTED]	[REDACTED]
12 [REDACTED]	[REDACTED]	12 [REDACTED]	[REDACTED]
13 [REDACTED]	[REDACTED]	13 [REDACTED]	[REDACTED]

Total time		Time per person (per month)	
Site	(minutes)	Site	(hrs:mm)
14	[redacted]	14	[redacted]
15	[redacted]	15	[redacted]
16	[redacted]	16	[redacted]
17	[redacted]	17	[redacted]
18	[redacted]	18	[redacted]
19	[redacted]	19	[redacted]
20	[redacted]	20	[redacted]

Source: Nielsen/NetRatings 2007

In these groups of services, whether measured by total time or time per person per month, the BBC, known for its own quality content, stands out as being rather unusual.

### Search and general interest portals

Search is widely accepted as the main activity online. Between 85% and 90% regularly use search.<sup>56</sup> Users look for information online by:

1. Using a search engine (usually Google).
2. By going direct to a specific site (of which the big four are Google, MSN/Windows, Yahoo!, and AOL) with directories which may be compiled by machines, or humans, or a combination of the two.

Virtually everyone uses both methods of finding information. However, as search engines have become easier and quicker to use and give better results, most users (two thirds) today primarily use search engines to find information compared with just a fifth only two years ago.<sup>57</sup> Furthermore, search itself is becoming more 'intelligent'. With the growth of social-bookmarking and collaborative filtering, the end-user increasingly plays a role in search rankings through the power of recommendation, conscious or otherwise. This continues to erode the prominence of editorialised approaches to organise data.

Google dominates the search engines with a 79% share of the internet population in September 2007. Google also owns the second largest search engine, Google Image Search (the research companies list them separately) with a 24% share of internet users. The nearest rival to Google is

<sup>56</sup> Eurostat 2007 report 67% of the UK population as whole use a search engine, which is the entire online population; ONS 2007; Nielsen/NetRatings 2007

<sup>57</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

MSN/Windows Live Search which is in third place with 21% of internet users.<sup>58</sup>

### Types of information

According to the Oxford Internet Institute the main type of information internet users look for online is travel, followed by local information, news and health. Internet users today are more likely to search for all types of information online, but the fastest growing types of information since 2005 are health and humour.

**Table 3.7: Information seeking online (percentage of internet users)**

Looking for information regarding	2005	2007
Travel plans	77%	84%
Local information and events	66%	77%
News	61%	69%
Health or medical care	37%	68%
Sports	54%	56%
Humorous content	36%	50%
Jobs / work	42%	48%

**Source:** Oxford Internet Surveys 2007

Health information tends to be sought by women more than men, and women also use the internet more to support their children. Of course, users seek information relevant to their life-stage. Sites dedicated to family, lifestyle and fashion are skewed towards 18-34 year-old women.<sup>59</sup> Men tend to be more active in seeking information about news, sports and humour. Retired users are most active looking for information about local events, travel and health. Students are most actively looking at local events, sports and humour.<sup>60</sup>

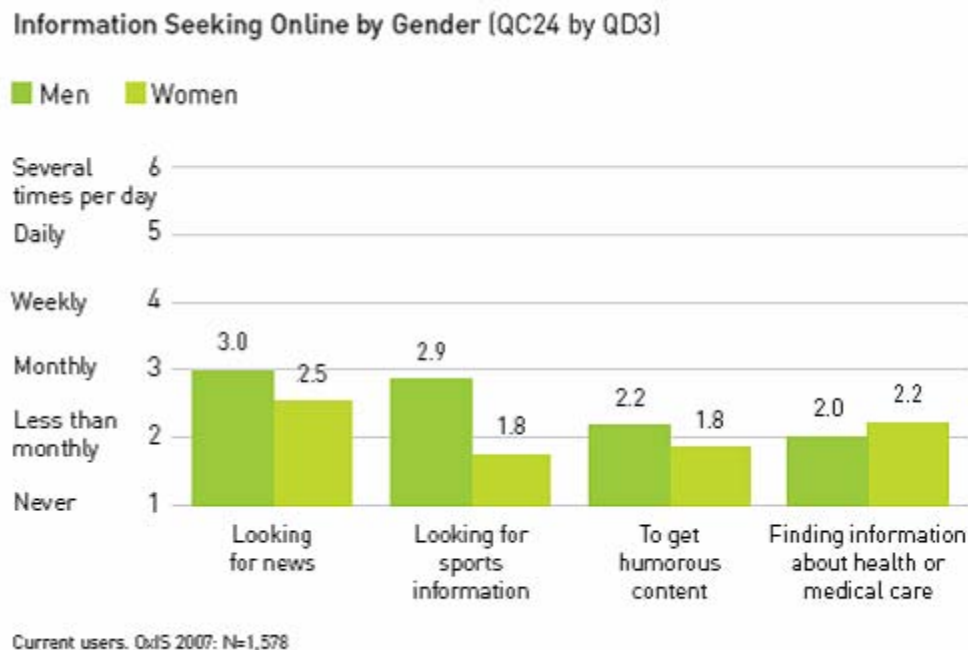
---

<sup>58</sup> Nielsen/NetRatings 2007

<sup>59</sup> Nielsen/NetRatings, extract from BBC online news, *Young women dominate the net scene*, 17 May 2007

<sup>60</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

**Figure 3.5 Information seeking online by gender**



**Source:** Oxford Internet Surveys 2007

### News

Nielsen data suggests searching for 'news & information' has gained a wider appeal in the last year, with an active audience reach of 72% in 2007 up from 69% in 2006.<sup>61</sup>

<sup>62</sup> The current trend is to want local news and weather.

The younger online population are less likely to be interested in viewing news online than their elder counterparts. This activity is more popular in ranking with the higher earners who are also more likely to go first to the internet as a source of news and current affairs.<sup>63</sup> Other internet users with above-average interest in news online come from minority ethnic groups.<sup>64</sup>

Aside from searching for news online, the current trend is for users to have a more personalised online experience.

### Travel

Nearly 5% of all UK click-throughs from search-engines were travel-related in July 2007.<sup>65</sup> Although making travel plans was done most frequently by the

<sup>61</sup> Nielsen/NetRatings

<sup>63</sup> Nielsen/NetRatings; AOP, *High earners choose web for news*, EMS Survey, March 2007

<sup>64</sup> Ofcom, *Media Literacy Report*, 3 April 2006

<sup>65</sup> Nielsen/NetRatings, *Mega View Search UK, Home & Work Data*, July 2007 (extracted from press release, *What are Britons searching for?*, 6 September 2007

employed,<sup>66</sup> the older online generation are more inclined to search for travel-related information. Over half of the 50+ accessed maps and travel sites in 2007 and Google Maps was in the top ten brands for the 50-64s and the 64+.<sup>67</sup>

Although the Oxford Internet Institute cite no gender difference in searching for travel information, Nielsen data suggests that there are differences within the category. The number one brand (in terms of unique audience) in multi-category travel, Lastminute.com has a 59% female audience, largely in the 35-49 age bracket. Also in the travel planning category, Expedia.com has similar gender weighting. Other travel-information-based sites such as Google Maps have a more even gender split, slightly in favour of men and more affluent users. The most visited transport site, Nationalrail.co.uk was used (for its timetables and booking facilities) most by the wealthier professionals, (33% of those earning £50k and over visited it in October 2007).<sup>68</sup>

### **Software**

This category is frequently cited by research companies as being a popular activity among those with internet access. We are sceptical that this is an end in itself because:

- Many software downloads and updates occur automatically in the background. In such cases it is arguably the machine rather than the person that is the user.
- Software updating and manipulation, even when it is done consciously by people, is likely to be used to better enable all the other popular activities such as communicating, browsing and listening to music.
- The large amount of time spent on this activity in 2004 appeared to have dropped significantly by 2007, probably as a result of more updates being fully automated and there being a greater proportion of broadband connections. These factors would account for the total time having fallen but the number of users remaining approximately constant

### **Communication**

The internet has always been a communication tool but the real communication potential of the internet is only now emerging under the umbrella of social networking applications, combined with the growing capability to access the internet on the move (as described in chapter 1). VoIP Services (voice over internet protocol) which allow users to make cheap or free telephone calls via a broadband connection, have also established themselves. These further strengthen the internet's role as a communication

---

<sup>66</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>67</sup> Nielsen/NetRatings

<sup>68</sup> Nielsen/NetRatings



channel and further blur the boundaries between channels such as telephone and internet.

Emailing is a near ubiquitous online activity. Most sources estimate that 85% or more of the population use email and that emailing with an attachment is also commonplace (70% according to the Oxford Internet Institute). Nielsen data, which is based on measurement rather than survey methodology reports substantially fewer users of email than other research companies. We feel that this may be an artefact of the way data is collected, possibly underestimating the use of web-based email and or local email client software.

**Table 3.8: Percentage share of internet users that email**

Source	Email activity as share of internet users %
Nielsen/NetRatings Sept 2007	61%
ONS 2007	85%
Oxford Internet Surveys 2007	93%
Eurostat 2007	95%

Both instant messaging (IM) and social networks (member communities) have not reached the penetration levels of usage that email has, but they are growing fast. Around 60% of the internet population now use IM and it has grown at 18% Compound Annual Growth Rate (CAGR) since 2005.<sup>69</sup> Social networks are now used by around 60% of internet users, although perhaps a quarter of those people are active users of social networks.<sup>70</sup> The member community category has grown by 19% CAGR since 2004. (See Chapter 4 for a detailed analysis of social networks.)

Internet telephony, or VoIP, is used by about 10% of the internet population as a whole and 18% of broadband households in early 2007.<sup>71</sup> Although there are cost advantages and the number of households with VoIP has grown (by 7% between 2006 and 2007), it is only used occasionally. On average VoIP users use VoIP for 15% of their calls from home and 28% of users use it almost exclusively for international calls.

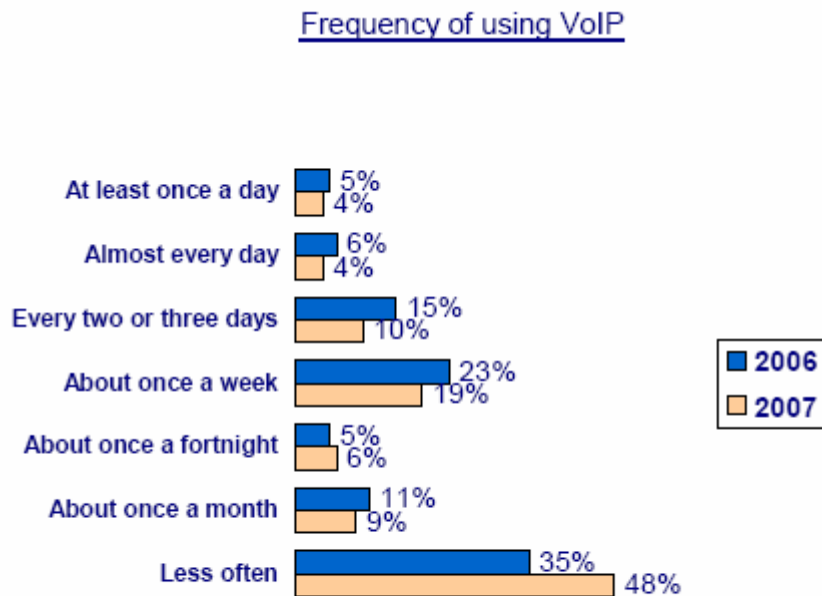
---

<sup>69</sup> Nielsen/NetRatings 2007

<sup>70</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p.56

<sup>71</sup> Ofcom *Communications Market Report*, 23 August 2007, p 80

Figure 3.6: Frequency of using voice over internet protocol



Base: online survey: all who have made a phone/video call in the last 12 months 208, 124

Source: [REDACTED], Internet Report, 2007 p 6

The advantages of using VoIP (lower cost of making a call, and the ability to combine with text or video) mean that its future is most likely bright. Improvements in the technology to improve its performance and the ease of setting up and extending its mobile capabilities will enhance its prospects.

### Public sector information

Just under half of the online population (42% of active users according to Nielsen) use the internet for obtaining information from public authorities, and this has grown annually by 19% (CAGR) since 2004.<sup>72</sup> There has been an even higher rate of growth in the downloading of official forms (a remarkable 48% CAGR between 2004 and 2007) and the returning of completed forms (74% CAGR, but increasing from a low base). Around 30% of the internet population now download official forms and 82% of those people return completed forms.<sup>73</sup>

Civic participation is worth noting. Less than 10% of the online population respond to e-petitions, which is either low, or remarkably high depending on your point of view.<sup>74</sup> None of the government sites has particularly large

<sup>72</sup> ONS 2007; Eurostat 2007

<sup>73</sup> Eurostat, *Survey on Information and Communication Technologies in Enterprises*, 2007

<sup>74</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

online audience shares. The largest site, Direct.gov, for example, is used by 10% of active users, followed by NHS Direct with 8% and the DVLA with 4%.

Both Direct.gov and NHS direct have larger female audiences (53% and 63% respectively). £30-50k earners are the most active in both sites. The younger online population are looking more at NHS than the elder generation (11% of 18-24s are looking at NHS site compared to 5% of 65+).<sup>75</sup> Both sites have gained in popularity over the last year.

## Entertainment

There appear to be trends towards:

- Richer media, available on demand
- User-generated content
- An increasing expectation that broadcasters' content will be available through non-traditional channels

The most popular entertainment activities are downloading music and videos and playing games. Around half of internet users download music and around a third download videos and listen to the radio online.<sup>76</sup> All these activities are relatively stable in terms of their overall share of internet users. Note that music and online radio consumption can be combined simultaneously with other activities.

Men engage in entertainment and leisure activities online more frequently than women as shown in the chart below. The Oxford Internet Institute reports that students are the most active users of online entertainment sites.<sup>77</sup>

Nielsen supports these findings citing that in 2007 almost two thirds (63%) of full-time students were accessing entertainment sites and over half (55%) accessed video and movie-related sites. The lowest earners, according to Nielsen, are also the heaviest users of entertainment and nearly half (49%) accessed video and movie sites, maybe not surprising as most students would fit into this income band. YouTube is in the top 10 brands of sites for 6-11s and 12-17s.<sup>78</sup>

---

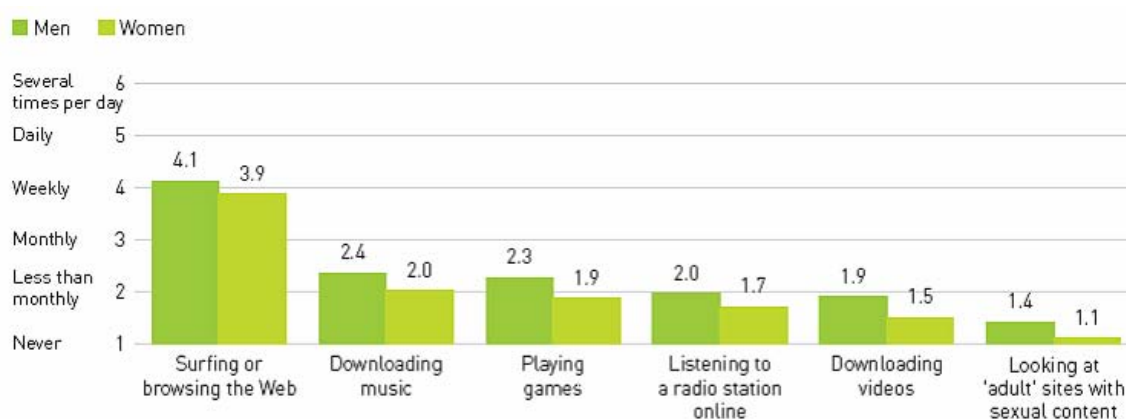
<sup>75</sup> Nielsen/NetRatings

<sup>76</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>77</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>78</sup> Nielsen/NetRatings

**Figure 3.7: Entertainment and leisure online by gender**



Current users, OxlS 2007: N=1,578

**Source:** Oxford Internet Institute, Oxford Internet Survey 2007 Report, 2007, p 64

YouTube now eclipses the BBC as the UK's favourite destination in the online film and TV entertainment category. In September 2007 YouTube reached 28% of the online population with 9.4m viewers, which is 50% more than the BBC's film and TV sections, according to Nielsen/NetRatings. YouTube users each watched an average of 53 minutes of programming content in a month. The rise of YouTube (from 5.4m viewers in October 2006) and other web channel shows the power of social media as an entertainment platform and the threat they pose for traditional media players.<sup>79</sup> However, it should be noted that four of the top six sites for film and television remain the traditional media companies (BBC, Sky, ITV, Channel 4).

**Table 3.9: The top ten film and TV websites (by unique users) September 2007**

Rank	Website	Unique users (million)
1	YouTube	9.4
2	BBC	6.7
3	Lycos Europe Movie	3.0
4	Sky	3.0
5	ITV	2.1
6	Channel 4	2.1
7	Google Video	1.8
8	Odeon	0.9
9	TV-links.co.uk	0.8
10	TV.com	0.8

**Source:** Nielsen/NetRatings, September 2007

<sup>79</sup> Brand Republic press release, *UK audience for online TV and film hit 21m*, 6 November 2007

The internet is becoming a more popular place to view television programmes.

Music, video and movie sites were accessed most typically by younger people (under 24s).<sup>80</sup> Men are more active music downloaders. Nearly 30% of the UK online population visited Apple's site in October 2007, of whom 57% were male.<sup>81</sup>

Between a third and half of internet users play online games, a figure that fell slightly between 2005 and 2007.<sup>82</sup> The most active online gamers are younger (57% of users aged 12-17 to game online and 38% of students).<sup>83</sup> An increasing number of women engage in online gaming and they now account

For September 2007, Nielsen (using direct measurement of PC activity) reports that around one quarter of internet users use adult and gambling sites, while the Oxford Internet Institute (using surveys) estimated 14% and 10% of all users respectively. (Perhaps respondents were reticent in disclosing this data.)

## **Sport**

Sport is an area in which the variations in the data from different research companies are significant.

---

<sup>80</sup> Nielsen/NetRatings, 2007

<sup>81</sup> Nielsen/NetRatings 2007

<sup>82</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>83</sup> Nielsen/NetRatings, 2007

There is general agreement that looking for sports information is a popular activity for internet users with between 41% and 56% reach, depending on the research company and its methodology.<sup>84</sup>

Usage appears to have gone up only 2 percentage points since 2005, which is the smallest increase among the generally reported categories during this period. For comparison, since 2005, information search for travel plans went up 7 percentage points; getting information about local events went up 11 percentage points; and looking for news went up 8 percentage points.<sup>85</sup>

As already discussed in previous sections, men tend to view more sports-related sites than women.<sup>86</sup> In October 2007, the total number of females, age 6+, visiting sports related sites was nearly 9 million, compared to males, age 6+, at about 16 million<sup>87</sup>

BBC Sport is the leader, reaching more than twice the number of unique users than its closest sports-related rival.

**Table 3.10: Top ten sports sites by unique audience, October 2007**

Brand or channel	Unique audience (000)	Active reach (0%)
<b>BBC Sport</b>	5,349	16.37
<b>eBay Sports</b>	2,393	7.32
<b>Premium TV</b>	1,827	5.59
<b>Sky Sports</b>	1,816	5.56
<b>Yahoo! Sports</b>	1,141	3.49
<b>AOL Sports</b>	960	2.94
<b>premierleague.com</b>	655	2.01
<b>WWE</b>	601	1.84
<b>ESPN</b>	600	1.84
<b>Mandm Direct</b>	563	1.72

Source: Nielsen//NetRatings Database

### Transactions and services online

In 2007, a remarkable 79% of internet users were buying goods or services online, up from 74% in 2004.<sup>88</sup>

Internet users have increased their online commercial activities in the last few years. They engage in more research and in more transactions online. In the

<sup>84</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>85</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>86</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>87</sup> Nielsen//NetRatings database

<sup>88</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

UK, the percentage of enterprises' total turnover from e-commerce via the internet grew from 2.3% in 2005 to 6% in 2006.<sup>89</sup> Overall advertising spend in 2006 was £15.2bn while online advertising spend had reached £2.1bn in 2006.<sup>90</sup>

According to Nielsen the top activities are shopping, auctions, banking and travel. However, the Oxford Internet Institute ranks the top two activities as buying products and services online or making travel reservations.<sup>91</sup>

**Table 3.11: Leading online transaction activities**

Online transaction/service	Share of internet users
Mass merchandiser	60%
Auctions	46%
Banking	44%
Travel	35%
Apparel & beauty	31%
Home & Garden	29%
Financial tools	27%

**Source:** Nielsen/NetRatings October 2007

Shopping has become a more prominent activity online, with mass merchandisers being ranked fourth in 2007 compared with seventh in 2004 compared.<sup>92</sup>

Online shopping is popular irrespective of income. However, there is a female bias (59% to 56%) and the activity is most popular with the 35-49s (63%). Not surprising, online shopping is much less popular with under-18s, who are likely to have low incomes and lack their own credit card.<sup>93</sup>

Amazon is by far the most popular online shopping destination in terms of unique audience. 36% of the online population shop on Amazon (up from 33% in 2006) compared to the second most popular site Tesco (17%).<sup>94</sup> Almost 30% of the online population earning £30-50k shop at these sites.

<sup>89</sup> Eurostat, Information comes from the surveys carried out by the National Statistical Institutes on usage of Information and Communication Technologies (ICT) by enterprises. The indicator is calculated as the enterprises' receipts from sales through the internet as percentage of the total turnover. Sales through other networks are not included, leaving out for instance EDI-based sales. Only enterprises with 10 or more employees are covered. The year given relates to the survey year. The e-commerce data relates to the year prior to the survey.

<sup>90</sup> IAB Europe/PwC, June 2007

<sup>91</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>92</sup> Nielsen/NetRatings July 2004 and July 2007

<sup>93</sup> Nielsen/NetRatings

<sup>94</sup> Nielsen/NetRatings, October 2007

Auction sites are also very popular in the UK. More people in the UK visit auction and property websites than the European average.<sup>95</sup> EBay is a household name (ranking sixth overall by audience) with a slight female bias (52%). It ranks as the seventh most popular brand of all income bands except the £50k+ band where it ranks eighth. Its biggest audiences are in the lower income bands (47% of up to £15k, 48% of £15-20k compared to 39% of those earning £50k+) and most popular with the 25-34s (half of them use it).<sup>96</sup>

Security is still of high concern to internet users. █ of UK online shoppers say they worry about their security when purchasing online.<sup>97</sup> Only one quarter of those who use the internet at home felt happy to enter their direct debit details. Adults from minority ethnic groups show more willingness to enter personal and debit card details than all UK adults who use the internet at home.<sup>98</sup>

Banking has seen growth from 2004 to 2007 (14% CAGR). According to Nielsen figures, in 2004, 37% of online population were using the internet to bank. This increased to 44% in 2005 and appears to have plateaued since then.

**Table 3.12: Growth of banking online 2004-07**

	Jul-04	Jul-05	Jul-06	Jul-07	CAGR
UA in 000	9,432	11,110	11,935	14,098	14%
█	█	█	█	█	
█	█	█	█	█	
█	█	█	█	█	
█	█	█	█	█	

Source: Nielsen/NetRatings 2007

### Education and careers

The use of the internet in education is a huge and important topic of its own, beyond the scope of this report.

Education and interactivity complement each other so it's no surprise that the internet has become a popular tool for learning. Unfortunately much of the available data aggregates the behaviours of quite different groups such as school children, informal adult learners and job-seekers. Those who seek information about courses are sometimes confused with those who are actually studying online. Furthermore, usage statistics from schools are notoriously difficult to interpret because of the large number of users on a single network.

#### Education

<sup>95</sup> EIAA, Europe Online 2006, June 2007, p 5

<sup>96</sup> Nielsen/NetRatings

<sup>97</sup> Forrester, *Security Concerns Impact European Online behaviour*, 3 July 2007

<sup>98</sup> Ofcom, *Media Literacy Audit: Report on media literacy amongst adults from minority ethnic groups*, 3 April 2006, p 35



When researching a new topic or issue, 72% of the internet population turn to the internet first. Libraries are the third most frequently sought-out source of information, the second place being friends and family. Students are the most likely to go to the internet first (84%), then employed users (74%) and retired users (55%).<sup>99</sup>

According to the ONS, women (38% of adults 16+ who have accessed the internet in the last 3 months) tend to look for more information online about education, training or courses than men (35% of adults 16+ who have accessed the internet in the last 3 months).<sup>100</sup>

Their children's education was an important factor for UK adults making the decision to get internet connection. Ethnic minority groups were motivated the most by this (74% compared to 47% of all UK adults who already have internet or who are likely to get it).<sup>101</sup>

Educational Resources sites are used by 23% of the total online active population. The internet is generally used as a research tool rather than a 'place of learning'.

The total number of unique users for all online educational resources, as measured by Nielsen/NetRatings remained approximately constant over the period between January and October 2007, with a predictable dip during the summer holidays.

**Table 3.13: Growth of unique users for all educational resources sites, 2007**

Unique users ('000)	Jan-07	Apr-07	Jul-07	Oct-07
Educational Resources Related Sites	7,278	7,333	5,838	7,651

**Source:** Nielsen//NetRatings

### Jobs and careers

Career development and job sites are used by 16% of the total active population and, as one would expect, they are popular with those internet users in their twenties.<sup>102</sup>

The total number of unique users for all career development sites, as measured by Nielsen/NetRatings remained approximately constant over the period between January and October 2007.

**Table 3.14: Growth of unique users for all career development sites, 2007**

Unique users ('000)	Jan-07	Apr-07	Jul-07	Oct-07

<sup>99</sup> Dutton, W. and Helsper, E.J. (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>100</sup> Office of National Statistics, *Internet Access 2007: Households and Individuals*, p 7

<sup>101</sup> Ofcom, *Communications Market Special Report: Ethnic minority groups and communications services*, 21 June 2007, p 23

<sup>102</sup> Nielsen/NetRatings 2007, press release, *Tom, Liz and the kids, the greatest affinity brands*, 28 February 2007

Careers Development Sites	5,056	4,126	4,807	5,239
---------------------------	-------	-------	-------	-------

Source: Nielsen//NetRatings

### 3.4 Summary of internet usage by demographic

Table 3.15: Online behaviours skewed by gender

Gender	
<b>Men</b> somewhat more likely to go online for:	<ul style="list-style-type: none"> <li>• Entertainment and content production</li> <li>• News, sport and humour</li> <li>• Downloads of film, music, computer software</li> </ul>
<b>Women</b> somewhat more likely to go online for:	<ul style="list-style-type: none"> <li>• Health related matters</li> <li>• Education / training / courses</li> <li>• government</li> <li>• Information to help their children</li> </ul>
<b>Women and Men</b> go online to do the same things:	<ul style="list-style-type: none"> <li>• There is no gender divide in:</li> <li>• E-mail</li> <li>• Instant Messaging</li> <li>• Banking</li> <li>• Travel</li> <li>• Jobs</li> <li>• Meeting friends online</li> <li>• There is very little difference between the genders in the amount of time spent emailing and IM</li> </ul>

Sources: Oxford Internet Surveys 2007, ONS 2007, Nielsen/NetRatings

Table 3.16: Online behaviours skewed by age

Age	
All	<ul style="list-style-type: none"> <li>• Searching for info, Multi-category Entertainment, IM, Videos and Member Communities (top 5 in growth)</li> </ul>
65+	<ul style="list-style-type: none"> <li>• Current events / news, Travel</li> <li>• Least likely of the ages to use the internet to watch TV</li> </ul>
50 to 64	<ul style="list-style-type: none"> <li>• Current events / news, Travel</li> </ul>
35 to 49	<ul style="list-style-type: none"> <li>• Instant Messaging, Current events/ News, Member Communities</li> </ul>
25 to 34	<ul style="list-style-type: none"> <li>• Careers, clubbing, eating in, eating out (20-29), social networking</li> </ul>
18 to 24	<ul style="list-style-type: none"> <li>• Music, Videos &amp; Movies, social networking</li> </ul>
12 to 17	<ul style="list-style-type: none"> <li>• Music, Videos &amp; Movies, social networking, education</li> </ul>
6 to 11	<ul style="list-style-type: none"> <li>• Music, social networking, education</li> </ul>

Sources: Nielsen, Oxford Internet Surveys 2007, ONS 2007

**Table 3.17: How online behaviour is skewed by income**

All income bands	<ul style="list-style-type: none"> <li>• Instant messaging is the most time intensive activity, followed by member communities and email</li> <li>• Search, general interest portals and communities and software manufacturers have the largest audience numbers in each income bracket</li> </ul>
Up to £15,000	<ul style="list-style-type: none"> <li>• Access video/movies sites</li> <li>• Spend the more time on instant message than any other income group</li> <li>• Email is ranked lower as an activity by UA than instant message and member communities</li> <li>• This income group has the highest proportion of users across the widest number of categories of any income group (only in search and auctions do they not have the highest adoption)</li> <li>• Highest % of online gamers</li> <li>• Highest % of IM</li> <li>• Highest % of member communities</li> <li>• Probably heavily influenced by student group</li> </ul>
£15,000 - £19,999	<ul style="list-style-type: none"> <li>• Gambling</li> </ul>
£20,000 – £24,999	<ul style="list-style-type: none"> <li>• Current events/global news</li> <li>• Highest % using classified/auction sites</li> </ul>
£25,000 - £29,999	<ul style="list-style-type: none"> <li>• Videos and movies</li> </ul>
£30,000 - £49,999	<ul style="list-style-type: none"> <li>• Highest viewers of personals</li> </ul>
£50,000 +	<ul style="list-style-type: none"> <li>• Go to the web first for news and current affairs</li> <li>• Information seeking and banking are predominant amongst better-off users</li> </ul>
Retired	<ul style="list-style-type: none"> <li>• Less active in all areas with exception of civic participation and financial services</li> </ul>

**Sources:** European Media and Marketing Survey, Nielsen/NetRatings, Oxford Internet Surveys 2007, Office of Communications

**N.B.** The above characterisations of online behaviour are summaries of the skews for each demographic. The skews above show the activities that are over-represented compared with the average of all users. These skews may be small.

### **3.4 Implications for the BBC**

#### **We would not be surprised to see:**

- Instant messaging becoming better integrated across platforms, perhaps with geographical functionality.
- Continued dominance of search, with better personalisation and able, for example, to cluster results, categorising them by source or semantically.

- Further engagement of the public in tagging material and further development of automated processes for doing so.
- The rise of and greater sophistication of video search.
- The further rise of internet telephony and television.
- An increasing expectation that broadcasters' content will be available through non-traditional channels.
- The continued increase in the delivery of online courses using virtual learning environments, which will begin to include more of the features being pioneered by user-generated content and social networking services.

### **Implications for BBC**

- As search engines become increasingly important as a means of navigating the net, general interest portals may find it harder to compete, particularly if they do not offer a full-range of everyday tools such as calendars, portfolios, file-storage and so on.
- While brands such as the BBC's will remain extremely attractive, particularly where trust is an issue, the rise in search engine use may make it relatively easier for niche specialists to compete with broad generalists.
- The BBC may need to further consider its positioning and strategy for the search function. It would be difficult to compete with the R&D spend of Google and Microsoft in developing such technology. While competing head-on with Google and others may not be practical, there may be opportunities to partner, especially for audiences with particular needs, such as children or those with access difficulties.
- The BBC may also need to consider how it should compete with services that have greater capability of collecting tagging and ranking information from users.
- Where there is a particular need for an audience, such as children, the disabled or first time users of the internet, the BBC may have a role in guiding users. The market also demonstrates a role for directories focused on particular activities. So, for example, a third of online users use directories for local information and for shopping, whilst a quarter use online directories for hotels.
- There may be an expectation that the BBC should supply an increasing proportion of its content via new channels, placing an increasing burden on branding. One of the risks for the BBC is that it may not get as much credit for such output as it has previously.
- The traditional route to finding television and radio programmes via the Electronic Programme Guide may be increasingly bypassed. On the one hand by search engines and on the other by social networks or specialist sites that are more able to use their visitors to enhance collaborative filtering.

## **Chapter 4      Social networking and user-generated content**

This chapter is about the most important changes in internet usage patterns over the last four years – the enormous growth in social networking and user-generated content services.

Possibly because social networking and user-generated content services are especially new phenomena in what is itself a new medium, we feel that usage data is particularly unreliable. There are insufficient common standards for comparing users and their behaviours. One must also add a layer of scepticism because, in this area more than most, there are particular incentives to hype.

### **4.1 Summary**

- About 60% of internet users in October 2007 had visited a social networking site at least once in the previous month. Probably a quarter of these are active users.
- In October 2007, 24% of online users were active members of Facebook. Between July and October 07 alone, the number of UK active users soared by 2.6m (50%) up to 7.8m.
- While instant messaging is the sixth most popular use of the internet in terms of reach, it is far and away the most popular application in terms of time. It is difficult to be certain about the compound annual growth rate because of changes in measurement methodology by Nielsen/NetRatings but it is likely to have been around 20% between 2004 and 2007.
- The underpinning principles of social networking services, such as the network effect itself, recruitment ratios and retention factors are becoming better understood and exploited. This explains the explosive growth of some of the new entrants.
- Facebook has risen from nowhere to become the leading social networking site in the UK and a new model for the way that such networks can operate. Its superior execution of all the principles of social networking combined with its relationship with a worldwide community of developers has driven it forward.
- As one would expect, only a proportion of those who first come to take a look go on to actively participate and add value for the network. The successful social networks are far better at converting the casual onlooker into an active member of the network, adding value for others in the process and strengthening the network effect.
- The demographic groups that are most represented among users of social networking sites are aged 12-24. Primary school children are also significant users.

## 4.2 Social networking

Human beings are social animals. We have fundamental desires to:

- Communicate;
- Connect with others;
- Have a voice;
- Identify with and become accepted by groups;
- Gain approval (some people go as far as to desire celebrity).

Recent years have seen strong growth and an explosion of interest in the use of online services that fulfil many or all of these needs. Such applications and platforms are often referred to as 'social networks' or 'social software'. The term 'Web 2.0', which originally had a wider meaning encompassing for example approaches to underlying technical development and the way that data can be manipulated by users, is now frequently used as shorthand for social network applications.

In this context, email, instant messaging and chat room applications, video-conferencing, and blogging together with those services that enable the sharing of user-generated content can all be seen to be part of a set of social applications. Indeed, the more sophisticated social networking applications incorporate some or all of these features.

As we shall see, the most successful have become very popular, very quickly.

The big four social networking site leaders, with their year of foundation and total number of UK active users is below. For comparison, we have included the number of users of instant messaging:

**Table 4.1: Social networking services: UK users**

	<b>Founded/ widely available</b>	<b>Millions of UK users (July 07)</b>	<b>Millions of UK users (Oct 07)</b>
MySpace	2003	6.06	5.49
Facebook	2006	5.22	7.83
Bebo	2005	4.58	4.44
LinkedIn	2003	0.34	0.46
Instant messaging	(many different services)	18.4	18.8

**Source:** Nielsen/NetRatings, Database

More than one billion people are now subscribed to social networking sites worldwide, contributing to more than a quarter of all internet traffic. This means one in six people across the globe have profiles on Facebook, MySpace, Bebo or one of the other myriad networking sites, with 154 million of those logging in on a daily basis.<sup>103</sup>

<sup>103</sup> PC Pro, Comscore, Social Networking reaches 1 billion users, 20 September 2007

By October 2007, 60% of people with internet access in the UK were active users of social networking services and 58% used instant messaging.<sup>104</sup> Email use among those with internet access is virtually ubiquitous.

Estimates of the number of active users of instant messaging vary but it is likely to be more than 600 million<sup>105</sup> worldwide, compared with an estimated ■ billion email users<sup>106</sup> and ■ billion active mobile text users.

Note that boundaries between traditional social networks based around physical places such as (pubs, clubs, playgroups etc) and virtual electronic ones are being blurred by the mass use of mobile phones. These are increasingly being used for chat and social networking (e.g. Twitter with 45,000 UK users).<sup>107</sup>

In October 2007, Bebo and Orange announced that customers could have unlimited Bebo access from a mobile device for £3/month. Estimates vary, but probably 5% of accesses to social networking sites are from mobile devices.<sup>108</sup> Research indicates that almost one third of teenagers would be interested in accessing social networking sites from mobile phones.<sup>109</sup>

### **4.3 Growth of social network sites**

In order most effectively and rapidly to fulfil the basic human needs mentioned above, successful social networks have evolved to exploit the 'network effect'.

#### **The network effect**

In this context, the network effect describes the situation where the value of the whole service increases, in most cases exponentially, with the number of users. The service gets better the more people use it. Either consciously or unconsciously, each user can add value for subsequent users. This can happen in any of three ways.

##### Conscious contribution

For example, shoppers may write a review of a product or give it a star-rating, or visitors to video- or photo-sharing sites such as Flickr or YouTube post material for others to see, comment on and use. Users of services such as Del.icio.us and Flickr contribute by tagging material they find interesting, knowing that other users will then be able to find their way to material more readily.

##### Default contribution

User contributions are very valuable, so designers of social network applications generally include default settings that enable users to add value for many, even though this might not have been users' original

---

<sup>104</sup> Nielsen/NetRatings, Pivot table

<sup>105</sup> Various sources

<sup>106</sup> ■

<sup>107</sup> Nielsen/NetRatings, Database, October 2007

<sup>108</sup> Intel and others

<sup>109</sup> Q Research, *Most teens are MySpacers*, 15 July 2007

intention. For example, users of photo and video sharing sites who only have a need to share content with family and close friends are, by default, encouraged to make their material available to the world, though they can opt out.

#### Unconscious contribution

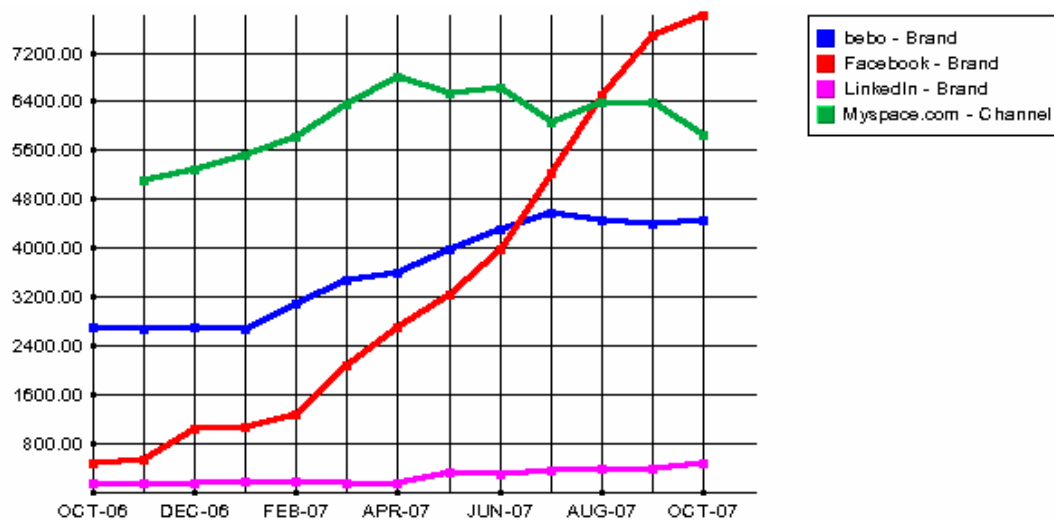
For example, data about purchases from Amazon (not known as a social networking site but it possesses some of their features) are used to provide recommendations to subsequent buyers, in a process known as collaborative filtering. Last.fm gathers data about its members' music listening habits, whether online, via CD or MP3 and uses that information to provide better recommendations and more relevant audio streams for other listeners.

#### Virality: recruitment ratio, uptake period and retention rate

The most pronounced network effects occur through 'viral marketing', when each user adds value by recruiting other users. This can either be through active solicitation (LinkedIn, Facebook) or by some other aspect of a user's presence that encourages others to join (Second Life).

Facebook is now the most popular social networking service among UK users. It deploys many interesting techniques that contribute to its success. We have used it as an example in the following commentary.

**Figure 4.1: 2006-2007 Audience growth of social network sites Bebo, Facebook, LinkedIn, Myspace.com**



**Source:** Nielsen/NetRatings, Database, Trends Report

The way in which a viral disease spreads through a population is exquisitely sensitive to the average number of people that each carrier infects, the incubation period of the infection and the rate at which individuals recover. So it is with social networks that deploy viral marketing. The speed with which an application takes hold and the number of people it reaches is governed by a number of factors.

- Recruitment Ratio – the number of new users that each user brings.



- Uptake Period – the time taken for users to register and engage with the service and begin to recruit others.
- Retention Rate - the rate at which users stay as participating users of the service.

These factors taken together tell us how ‘viral’ a service is. Data on these individual viral factors is critical to the organisations that run social networking services and is rarely made public. However, the results of these factors have led to a clear explosion in growth.

The music sharing site iLike took [redacted] months to sign up its first [redacted] users of its web service. As a Facebook application, iLike signed up [redacted] users in its first week.<sup>110</sup>

In 2006, the top 10 social networking sites in the UK grew from 46.8 million unique users to 68.8 million in April of 2006, reaching 45% of all active online users, amounting to about a 47% increase in unique users in just one year.<sup>111</sup>

### Recruitment Ratio

The ease with which users can recruit others is of great importance. Successful social networking services have all made it very easy to recruit others. For example, YouTube is noted for the ease with which its users can upload, watch and invite friends to view video material, despite the underlying technical challenges of doing so. Facebook and LinkedIn are renowned ‘viral’ applications both of which encourage and enable users to bring their own pre-existing networks of contacts to the service from other applications such as email address-books.

The value of a social network to its owners will increase with:

- the number of users they have and the amount of time they spend looking at or responding to advertising;
- any subscription revenues that can be generated;
- commissions on products that are sold.

These factors all increase with the number of users which, as we have seen is exceedingly sensitive to the recruitment ratio. Operators have very strong incentives to do anything they can to increase this ratio and wherever possible, default settings within the site and the user profiles are chosen that will do so. For example, by default, social networking applications will often invite all the contacts in users’ address books with a personalised invitation to join the service. Such invitations are an important factor in achieving a high recruitment ratio but there is evidence of consumer resistance to some of the techniques being deployed.

For example, Facebook has a system called Beacon, which tracks web shopping on partner sites outside Facebook and then alerts (and sells

---

<sup>110</sup> O’Reilly Radar Open Source Report 2007

<sup>111</sup> Nielsen//NetRatings, news release, *Social Networking sites grow 47%, year over year, reaching 45% of web users*, 11 May 2006.

advertising to) a person's social network based on their purchases, which are seen by recipients as personal recommendations from a friend. Personal recommendations are known to be extremely powerful, so there is a strong incentive for social networking sites to use such techniques. However, in December 2007, after complaints that the site was invading privacy, Facebook's founder apologised to users and agreed to change Beacon from an opt-out system to opt-in.

### **Uptake Period**

Successful social networking services go to great lengths to design services that are instantly useful to their users, ensuring that interfaces are kept simple, especially in the first few screens, and requiring minimal initial registration. Operators try to ensure that the time taken for users to begin recruiting other users is as low as possible.

### **Retention Rate**

Social networks attempt to increase the retention rate by creating:

*A range of services that users will find compelling*

- Social networking services frequently attempt to become destinations in their own right, providing a growing range of user-generated content and experiences, as well as enabling people to meet and communicate in exciting ways. Amazon's user-generated critiques of books and products, many dating and gambling services and online communities such as MySpace and Bebo all attempt to be destinations, with varying degrees of success.
- By opening its Application Programming Interface (the API) and its own proprietary mark-up language (Facebook Markup Language, or FBML) to developers, a large community has developed a wealth of applications that sit within the Facebook environment.



112

- Facebook uses techniques such as the 'Social Graph' and 'The Feed', (which makes visible what everyone else is doing), giving constant updates about the activities of online friends and would-be friends. This unusual (possibly unique at the time of writing) ability to turn a stream of small social events into a mechanism for maintaining and growing a social network is one of Facebook's success factors.

*'Sticky', customisable sites*

- Users who have invested time and effort creating their own customised look, feel and functionality from a wide palette on offer may be less willing to go through the whole process again for

another service. In addition, by making the service their own, users are also likely to feel some emotional investment, which is a further barrier to moving away.

- Developers of applications for Facebook have invested effort in learning FBML making it less likely that those people will migrate elsewhere.

#### *Incentives to stay with the service*

- Commercial arrangements can be put in place enabling users to keep a significant proportion of money from advertising on their pages. The interests of operators and users are thus aligned.

#### *A site that's easy to join, harder to leave*

- Site owners often make it much harder to drop out of services than to register in the first place. Some of them don't have any automated way to remove an account.

There is much debate about retention.

Unfortunately we cannot be wholly confident in what little published data there is relating to retention rates for different services. It is therefore difficult to distinguish between those who may have signed up amidst the hype to see what the fuss was about but have never really used the service, and those who have used the service for a while but moved on. Although business users are beginning to use Facebook, the main users are young. We do not yet have sufficient good evidence to know whether online social networking is an activity for all, in which the young have been the vanguard, or whether these are services that will remain linked with this particular life-stage. It appears at the moment that the aggregate of communication, user-generated content and introduction facilities are more valuable to users than the sum of the parts. Again, it remains to be seen whether this continues to be the case.

As useful context, the ease with which blogs can be set up led to the rapid expansion of that medium, though it has decreased in popularity from 17% of UK internet users in 2005 to 12% in 2007.<sup>113</sup> It remains to be seen if social networking sites follow a similar pattern.

The authors of this report believe that the future may lie in people being members of many small communities and networks, as they are in the physical world. In such a future, the public may desire that the same basic tools of communication – email, text, video, instant messaging, chats, shared production and distribution of content and so on – may become usable across many social networks. The Open Social initiative from Google in response Facebook's proprietary mark-up language to is just one step in this direction.

---

<sup>113</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK).

### Facebook – here to stay or a flash in the pan?

At the time of writing, Facebook appears to be the most popular social networking service in the UK and is still growing quickly. However, if users were to move away, there may be several factors that could cause this.

- The Facebook community tends to be younger and therefore possibly more fickle and mobile than the population as a whole. We don't know whether in the two years time users will regard Facebook as a vital everyday tool, or as a club. If the latter, then there may come a point when people drift away to join a club with some measure of exclusivity and greater cachet. They may not perceive the barriers to using other services as onerous as others.
- The 'lock-in' of a large developer-base combined with a large user group who spend a great deal of time with the service and recruit others efficiently has led some commentators to dub Facebook as a new 'operating system for the web'. Google has recently responded with Open Social, a programming environment enabling users to develop and port applications to a wide variety of social networks, rather than being tied to FBML. It remains to be seen if this will encourage users away from the service.
- As a leader in social networking, Facebook is necessarily experimenting and risks antagonising users, as with the issue over its Beacon service and privacy in December 2007.

As we have seen, there are certain attributes that are linked to social software. We have estimated the performance of some social networking services against these attributes, using data and our own estimates of the way that users actually engage with these services, not just what facilities are available. For comparison we have included Google Search, BBC News and Tesco Online as examples of popular search, information and transaction sites.

**Table 4.2: Performance of services against attributes of social networking sites**

Site	Network effect	Intro to others like self	Destination in its own right	Social destination	Communication with others
YouTube	High	Low	High	None	Low
Amazon	High	Low	Medium	None	Low
Wikipedia	High	Low	High	None	Low
Facebook	Very High	High	High	High	High
Flickr	High	Medium	Medium	Low	Medium
LinkedIn	Very High	High	Low	None	Medium
Last fm	High	Medium	Medium	Medium	Low

Site	Network effect	Intro to others like self	Destination in its own right	Social destination	Communication with others
Second Life	High	Low - Med	High	High	Moderate
BBC News	Low	Low	High	None	Low
Tesco Online	Low	Low	Medium	Low	Low
Google	Low	Low	Low	Low	Low

From this table, we can see that services can of course be exceedingly popular and successful without having the attributes of social networking sites. However, among social networking sites themselves, we do see a link between the effectiveness of their networking elements and the level of their overall success.

#### 4.4 Who uses social networking sites (by demographic group)

BBC community and user-generated content sections are popular but dwarfed by the user-generated content giants.

**Table 4.3: Social networking services: number of users and time spent**

Site	Unique users	Average time per user/month
Facebook	6.5m	2:32
MySpace	6.4m	1.25
Bebo	4.5m	2:15
Blogger	4.1m	0:09
Windows live spaces	2.3m	0:08
Friends reunited	2.1m	0:20
BBC communities	1.6m	0:14

**Source:** Nielsen/NetRatings, Database Oct 07

Nearly one fifth of UK internet users maintain a social networking profile or presence.<sup>114</sup> This corresponds to a very significant number of people, with marked growth between 2004 to 2006.

**Table 4.4: Growth of member communities, by demographic, 2004-2006**

	Oct-04	Oct-05	Oct-06	Growth 04-06	Jul-07*	Sep-07
<b>% of all online</b>	47%	53%	55%	8%	61%	59%
<b>Gender</b>						
<b>Male</b>	51%	56%	54%	3%	61%	

<sup>114</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK).

	Oct-04	Oct-05	Oct-06	Growth 04-06	Jul-07*	Sep-07
<b>Female</b>	40%	50%	55%	15%	61%	
<b>Age</b>						
<b>65+</b>	41%	44%	N/a	-	54%	
<b>50-64s</b>	48%	52%	52%	4%	58%	
<b>35-49s</b>	51%	56%	54%	3%	59%	
<b>25-34s</b>	44%	54%	58%	14%	64%	
<b>18-24s</b>	47%	49%	68%	21%	74%	
<b>12-17s</b>	58%	67%	65%	7%	78%	
<b>6-11s</b>	27%	39%	37%	10%	42%	
<b>Annual income (£)</b>						
<b>Up To 15000</b>	49%	54%	62%	13%	64%	
<b>15000 - 19999</b>	49%	52%	53%	4%	59%	
<b>20000 - 24999</b>	44%	50%	54%	10%	59%	
<b>25000 - 29999</b>	46%	54%	56%	10%	62%	
<b>30000 - 49999</b>	50%	54%	52%	2%	60%	
<b>50000 And Over</b>	48%	55%	54%	6%	61%	

**Source:** Nielsen/NetRatings, pivot table

\*Due to a methodology change after September 2006, the 2007 figures from Nielsen/NetRatings are not directly comparable.

In absolute terms, teenagers are the most likely group to be social networkers. The most significant areas of growth have been among women, who are now equally as likely as men to be social networkers, and among 18-34 year-olds, especially students. Note that according to this Nielsen study, in July 2007 more than half of the 65+ online population had registered with social networking sites as had 42% of primary schoolchildren.

The act of registering with a social networking site does not necessarily mean that the user goes on to create a profile. 19% of men and 13% of women online users say they have created an online profile on a social networking site<sup>115</sup>.

- Life stage remains the largest divide among users and non-users of social networking sites. Students are nearly three times as likely (42%) as employed users (15%) to have a profile.<sup>116</sup>

<sup>115</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK).

<sup>116</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK).

- According to one survey, in July 2007, more than 90% of UK teenagers (11-20 years) had at some time used a social networking website and more than half used them because their friends did.<sup>117</sup>

Facebook, MySpace and Bebo, which are the market leader social networks among the UK general public (LinkedIn is aimed at business users) have somewhat different demographic appeal from each other.

The core users of all three services are 18-34 year-olds. Facebook users are slightly older and better off, possibly because of the interest in the 'Facebook phenomenon' shown by young professionals. Bebo is also particularly popular with teenagers and 6 -11 year-olds, 16% of whom have used it. Users of all three sites are split fairly equally between male and female, with women being in a slight majority among Facebook users.

In August 2007, Facebook was the most popular social networking site in the UK. Britons spent 17 million hours there, followed by Bebo with 10 million hours and MySpace with 9 million hours.<sup>118</sup>

There have been some notable changes in the most popular social networking sites over the last year. As we have seen, Facebook has outstripped its competitors both in terms of reach and the time that users spend with the service.

**Table 4.5: Most popular social networking sites October 2006**

Rank By unique audience	Brand or Channel	Unique audience [000]	Active reach (%)	Time per person (hh:mm)
1	MySpace	5,222	17.9	01:22
2	Blogger	3,181	10.9	00:11
3	Yahoo! Geocities	2,695	9.2	00:03
4	Windows Live Spaces	2,689	9.2	00:07
5	bebo	2,684	9.2	01:45
6	Friends Reunited	2,157	7.4	00:36
7	Lycos Network Tripod	1,851	6.3	00:05
8	BBC Communicate	1,616	5.5	00:07
9	Orange Personal Pages	1,509	5.2	00:04
10	Six Apart TypePad	1,025	3.5	00:03

Source: Nielsen/NetRatings, Database

**Table 4.6: Most popular social networking sites October 2007**

Rank By unique audience	Brand or channel	Unique audience [000]	Active reach (%)	Time per person (hh:mm)
1	Facebook	7,825	23.9	02:58

<sup>117</sup> Q Research survey for mediaguardian.co.uk

<sup>118</sup> Nielsen/NetRatings press release, *Facebook is now UK's most popular social network*, 25 September 2007

2	Myspace.com	5,845	17.9	01:12
3	Blogger	4,922	15.1	00:07
4	Bebo	4,435	13.6	02:26
5	Windows Live Spaces	3,434	10.5	00:07
6	Friends Reunited	2,200	6.7	00:22
7	BBC Communities	1,574	4.8	00:15
8	WordPress.com	1,495	4.6	00:05
9	Six Apart TypePad	1,475	4.5	00:03
10	BBC Blogs	1,102	3.4	00:08

Source: Nielsen/NetRatings, Database

**Table 4.7: Facebook, MySpace and Bebo: usage by age and gender (Nielsen/NetRatings, Database) [UA = Unique Audience]**

Age	Total available audience of online users in this group	Facebook		MySpace		Bebo	
		UA ('000)	reach	UA ('000)	reach	UA ('000)	reach
6 -11	1,559	n/a	n/a	n/a	n/a	245	16%
12 - 17	2,195	270	12%	699	27%	1090	50%
18 - 24	3,828	1,814	47%	1,415	37%	947	25%
25 - 34	6,219	2,354	38%	1205	19%	592	10%
35 - 49	9,364	1,909	20%	1496	16%	941	10%
50 - 64	6,760	1,116	17%	761	11%	491	7%
65+	2,226	254	11%	178	8%	n/a	n/a

Gender	Total available audience of online users in this group	Facebook		MySpace		Bebo	
		UA ('000)	reach	UA ('000)	reach	UA ('000)	reach
Male	16,468	3,719	23%	3,006	18%	2,070	13%
Female	16,214	4,093	25%	2,814	17%	2,348	14%

#### 4.5 Gaming and virtual worlds

It is in the nature of the internet that boundaries are blurred. Where does social networking end and gaming begin? Gambling services and online virtual worlds can arguably sit in either category. When is a game not a game but a virtual environment? In analysing what data there is, we find the complication that people can play games, or communicate from within social networking applications.



A thorough analysis of gaming and virtual environments is beyond the scope of this study and the data that is readily available. However the following points are worth noting:

Gaming sites are highly represented among those that are most time-consuming. Users of Second Life, a 3D virtual world on average spend more than 28 hours a month.

**Table 4.8: Top 20 websites by time per person per month (October 2007)**

Site	Time per person per month (hrs:mm)
Total all sites	18:43
1 Second Life	28:43
2 Blizzard Entertainment	24:20
3 FullTiltPoker.com	09:39
4 PokerStars.com	08:56
5 mIRC	08:02
6 Playandwin.com	07:53
7 Habbo	07:45
8 Travian.com	07:27
9 Puzzler	06:21
10 paltalk.com	05:47
11 eBuddy	05:38
12 Bnet3.net Bingo	05:26
13 RuneScape	04:17
14 Microgaming	04:16
15 Faceparty	03:43
16 The Pokémon Crater	03:39
17 bet365	03:38
18 Adultwork.com	03:37
19 Person.com	03:26
20 Gaydar	03:08

**Source:** Nielsen/NetRatings 2007

According to Nielsen/NetRatings measurements, among those who use Second Life there was a huge jump between October 2006 and October 2007 in the average number of sessions per month and in the total time spent.

Meanwhile, the usage of MiniClip, the games site with the highest unique audience<sup>119</sup> remained fairly constant over the period:

<sup>119</sup> Nielsen/NetRatings

**Table 4.9: MiniClip vs. Second Life, usage 2006 - 2007**

**OCTOBER 2007**

Site	Unique audience [000]	Active reach (%)	Sessions per person	Time per person (hh:mm)
MiniClip	1,651	5.1	3.4	00:52
Second Life	211	0.7	14.7	28:43

**OCTOBER 2006**

Site	Unique audience [000]	Active reach (%)	Sessions per person	Time per person (hh:mm)
MiniClip	1,562	5.4	3.9	00:57
Second Life	79	0.3	1.6	00:09

**Source:** Nielsen/NetRatings

Online Games are especially popular with 12 -17 year-olds (57% reach) and 6-11 year-olds (49% reach).<sup>120</sup>

By time-spent, games are the most popular online activity for 6-11 year-olds and the third most popular after instant messaging and social networking for 12-17 year-olds.<sup>121</sup>

Online games are often thought to be a male pursuit. However, in July 2007, 33% of all male internet users accessed online games, compared with 31% of females. Girls and women spent slightly longer with online games than boys and men.<sup>122</sup>

#### **4.6 User-generated content (UGC) services**

We regard social networking and user-generated content services as dimensions of the same phenomenon. While social networking services usually rely on user-generated content, they lead with communication and introduction functionality.

UGC services, exemplified by Wikipedia, Flickr and the various blogging tools, are generally defined as requiring the following.<sup>123</sup>

<sup>120</sup> Nielsen/NetRatings database

<sup>121</sup> Nielsen/NetRatings database

<sup>122</sup> Nielsen/NetRatings database

<sup>123</sup> Based on Organisation for Economic Co-operation and Development (OECD) definition

### 1. *Creative effort*

Creative effort should have been put into material, by creating new material or adapting existing material. Often, as in the case of wikis and blogs, UGC services have a collaborative nature but this is not a requirement.

### 2. *Publication*

UGC services are distinguished from email and instant messaging services, which are also composed of content generated by users, by hosting work that is intended for publication either to the general public or to a select group of people such as members of the same service, or fellow employees or students.

### 3. *Creation “outside professional routines and practices”*

Often the material generated by users does not have a commercial or market context and is sometimes produced without expectation of remuneration.

The consensus is that merely cutting and pasting pre-existing material doesn't count as UGC. At the very least, users should add some links or comment. Frequently, UGC implies sophisticated use of video, stills, podcasts and commentary.

The last four years have seen growth in services that rely on user-generated content. During this time:

- the production of audio, video and still photographs have all become cheaper and easier;
- broadband connections enabling faster uploading and viewing of rich media have become more common;
- the technology for creating and hosting the services has become more robust and easier to deploy.

The motivating factors for users to generate content include:

- voicing opinion, either for simple self-expression, or to persuade or help others;
- celebrity;
- prestige;
- connecting with others of like mind.

The leading user-generated content services are YouTube, Wikipedia, Flickr and Blogger, each representing a different focus of activity. YouTube is centred on video, Wikipedia is a collective encyclopedia, Blogger enables users to have their say and Flickr is focused on photography. YouTube is growing fastest and commanding the greatest amount of time per average user:

**Table 4.10: 2006-2007 Usage of popular user-generated content sites, unique audience,**

Site	Dec-06	May-07	Oct-07
YouTube	5,809	8,288	9,944
Wikipedia	6,131	8,542	9,500
Blogger	3,193	4,330	4,922
Flickr	1,065	1,230	1,518

(home and work)

Source: Nielsen/NetRatings, Database

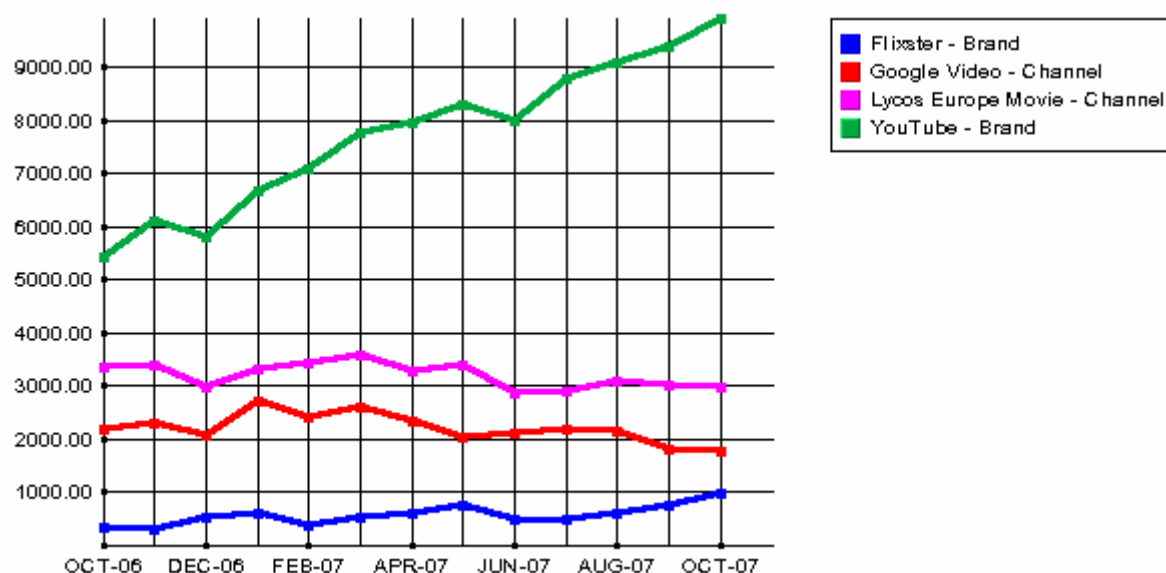
**Table 4.11: Audience and time spent data for popular UGC sites, YouTube, Wikipedia,**

Site	Unique audience [000]	Audience reach (%)	Sessions per person	Time per person (mins/month)
YouTube	9,944	30.43	5.07	51
Wikipedia	9,500	29.07	3.39	13
Blogger	4,922	15.06	2.67	8
Flickr	1,518	4.65	2.15	8

**Blogger & Flickr, Oct 07 (home and work)**

Source: Nielsen/NetRatings Database

**Figure 4.2: UGC – Top 4 Video sharing sites Oct 06-Oct 07**



Source: Nielsen/NetRatings

In order to be searchable and useful, user-generated content, like any other, needs to be tagged with metadata. There are several methods for doing this, including employing people specifically for the purpose (accurate but potentially expensive) and automatically (cheaper but often less accurate and useful). Several services now rely on user-tagging of content. At one extreme, Amazon provides a framework into which users can put their comments and

star-ratings. On the other hand, services such as Last.fm and Del.icio.us allow users to pick their own terminology to describe music and the content of links.

### **Participation rate**

In any user generated content service, some people will actively and frequently contribute, some will occasionally add value for others, while most will solely consume the work of others. The percentage of people who contribute is called the 'participation rate'. It is very difficult to make meaningful comparisons between the participation rates for different UGC services and how these have changed over time, because of the difficulties of comparing like-with-like and because of the proprietary nature of much of the data.

A widely used rule-of-thumb<sup>124</sup> is that on most UGC services less than 1% of visitors contribute most of the material, around 10% may make very brief comments or give 'star-ratings' (which of course add value for others) while at least 90% solely consume the work of others.

Note that many user-generated content sites contain a mixture of material – some that users have created, some that has originally been created by others but has been edited in a novel way, and some that has been recorded from professional output and re-posted.

As one would expect, the rate of participation appears to be somewhat lower when more effort is required in order to do so. Estimates of the participation rate of YouTube (which hosts video) vary between 0.05% and 0.5%, around 0.2% for Flickr (photographs) and as high as 4.5% for Wikipedia (largely text-only). While these percentages are certainly lower than the social networking sites that lead with peer-to-peer interaction, the absolute number of people actively participating in user-generated content services is very significant.

### **Increasing participation rates**

Participation rates are of great interest to those who run services and who are attempting to create a virtuous circle of content production among their users. More participation means more content which will draw more users, some of whom will create more content, and so on. Of course, the greater the number of users, the higher is the value of the service.

Various techniques are used by site operators to increase participation rates:

1. *Make it as easy as possible to participate*

For example, Wikipedia has made editing an entry very simple, Amazon, Netflix and many others enable users to add critiques very quickly, or even add a star-rating in just one click.

2. *Enable users to edit pre-existing content*

It's always easier to edit than create from scratch. Many services (for example Second Life) offer design or other templates.

---

<sup>124</sup> Jacob Nielsen, 2006 and others

3. Understand the motivations for participation and design rewards accordingly.

There is particular value to site owners in identifying and rewarding that small proportion of total users who are good and frequent contributors. For example, many services offer ‘gold stars’ or other kudos or preferential treatment, especially those whose contributions are popular or otherwise highly rated. Sites that are funded by advertising may align their interests with those of contributors by making payments for popular contributions (e.g. YouTube)

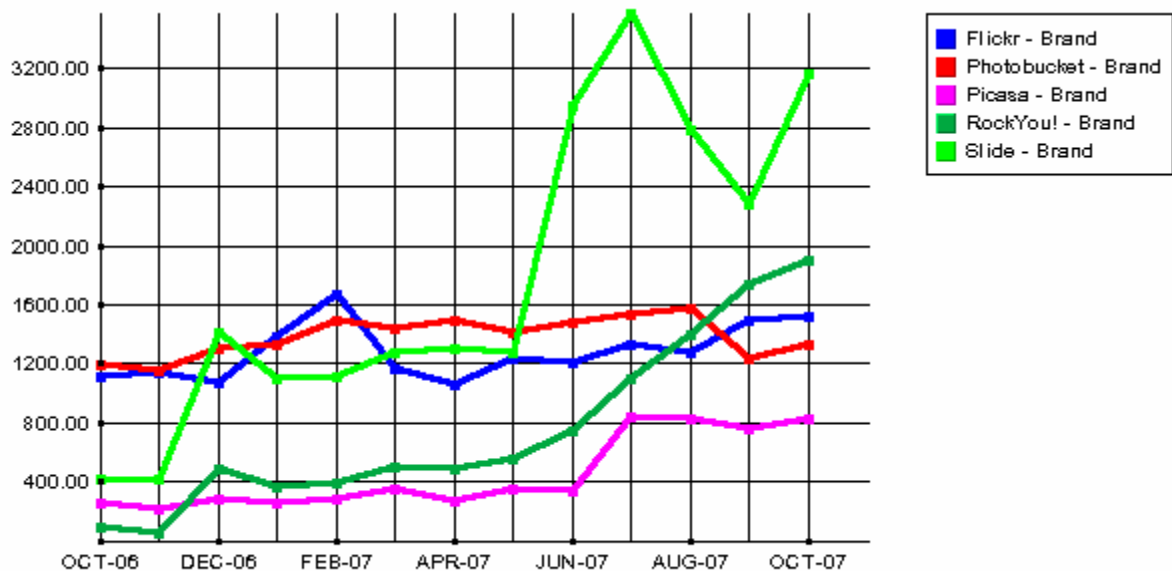
4. Promote quality contribution.

Some service operators seek out what they regard to be the highest quality contributions (which may not yet be the most popular) and give those profile.

**How are people participating?**

The most common means of participating in UGC sites<sup>125</sup> are posting pictures and contributing to blogs and other forums (though not necessarily having one’s own blog). Between 2005 and 2007, the proportion of the online population posting messages on message boards remained virtually the same at about 16%. However the proportion of people posting pictures or photographs leapt from 18% to 28% of the online population – a 56% increase. The most popular application for sharing photographs<sup>126</sup> were Slide and RockYou!, both applications within social networking sites with reach of just under 10% and 6% respectively, followed by Flickr at just under 5%.

**Figure 4.3: Trend data for top 5 photo-sharing sites by unique audience**



Source: Nielsen/NetRatings

<sup>125</sup> Dutton W and Helsper E J (2007) *The internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK).

<sup>126</sup> Nielsen/NetRatings, Database, Oct 2007

## Who makes up the audiences for UGC?

The digital gaps observed in access are present for user-generated content:

- men produce more than women;
- lifestage is the most important factor relating to online production;
- students are the highest producers of online generated content.

Of the activities measured, the main change in user-generated content activity across the audience as a whole was the large rise in the proportion of people who post pictures. The rise of 10 percentage points represents an increase of 56% over 2 years:

**Table 4.12: Creativity and production online**

Activity	2005	2007	Change, % points
Maintaining a personal website	18%	15%	-3
Tried to set up a websites for personal or other purposes	14%	16%	2
Posting messages on message boards	16%	16%	0
Posting pictures or photos on the internet	18%	28%	10

**Source:** Oxford Internet Surveys<sup>127</sup>

Students created and posted more than any other groups:

**Table 4.13: Creativity and production online by lifestage**

2007	Posted pictures	Posted message	Designed or maintained a website
Students	46	43	28
Employed	27	26	13
Retired	14	13	3

**Source:** Oxford Internet Surveys<sup>128</sup>

## Blogging

Blogging has decreased in popularity from 17% of online users in 2005 to 12% in 2007,<sup>129</sup> perhaps as audiences responded to the hype and then decided that the attraction wore off. Blogging appears to be skewed somewhat towards men.

The blogging website, Blogger comes in the top two sites for all social networking for men, women, and overall totals for those aged 50+.<sup>130</sup>

<sup>127</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 61

<sup>128</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK) p 62

<sup>129</sup> Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK)

<sup>130</sup> Nielsen/NetRatings, Pivot table

According to Nielsen/NetRatings data, the proportion of the online audience that accesses Blogger seems remarkably consistent, with a minimum of 13% for all women and a maximum of 20% of all 18-24 year-olds.

**Table 4.14: Key demographics and audience figures for Blogger, October 2007**

Category	Audience Group	Unique audience [000]	Coverage of this audience (%)
All	Total	4,922	15
Gender	Male	2,806	17
	Female	2,116	13
	12-17	368	17
	18-24	754	20
	25-34	965	16
	35-49	1,325	14
	50-64	1,031	15
	65+	364	16
	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

**Source:** Nielsen/NetRatings, Database

Data from the Continental Research Internet Report: 2007 supports the skew towards male users. However, its survey suggests that 16-44 year-olds are much more likely (~25%) than those aged 45+ (~9%) to have visited a blog during the past year.

## ***4.7 The future and impact on BBC***

### **Social networking**

We would not be surprised to see:



- The continued development of social networks aimed at particular user groups, defined by demographic, by location or by professional or other interests. Depending on the target group, we expect to see the integration of relevant functionality such as auction and marketplace applications, travel booking, professional tools or means for producing or displaying rich media. We note that Saga has recently announced a social networking site for its members, who are aged 50-plus.
- Increasing calls on the owners of content to provide material that can become a hub for social networking. For content providers, this can be a route to new audiences. For example, the Open Media framework, led by Bebo and in which the BBC is a partner, allows users to store and curate within their personal profiles their favourite music and video content; and virally distribute that content throughout their 'friends network' and the wider Bebo community.
- An increasing number of people becoming members of more than one social network, possibly using just a few applications within each. This may lead to...
  - Meta-applications providing layers of functionality enabling users to pick and choose from applications that sit within many different social networks. In the instant messaging arena, there are already examples of one meta-application giving access to many proprietary instant messaging services. Also, within social networking sites, users of Bebo can now add Skype, AIM and Windows Live Messenger usernames to their profiles. We think that this concept will expand beyond instant messaging applications. Open Social, a set of common APIs for building social applications across the web, is just one move in this direction. We expect there to be others.
- The extension of the democratisation of authorship and participation to include the development of applications and even services. Already the investment required to conceive and develop social networking applications, at least to pilot stage, has dropped remarkably in recent years. Programming and development environments may require less training and become easier to use, echoing the way in which sophisticated drag-and-drop programming environments for animation and control of external devices are now available for children. (e.g. Scratch, StarLogo).
- The proliferation of social networks established by members of the public who will be members of several networks at the same time reflecting the communities to which they belong. For example, one person may be part of a local religious group, the parents of a school class group, a local conservation group, a childminding circle, work-mates group, friends group, and so on. Tools to facilitate this are beginning to appear (e.g. Ning.com), and there will doubtless be others.

- Rapid expansion of the use of social networking sites from mobile devices, driven by subscription arrangements with telecommunications companies that are more appealing to younger, less well-off users.
- Further pressure to review copyright law and enforcement as it becomes easier for more people to access, adapt and distribute content of every kind in increasingly unpredictable ways.

### **User-generated content**

We would not be surprised to see:

The increasing emphasis on user-generated content may lead to a growing need for media literacy.

In order to be able to participate, users will need the necessary skills. These include:

- general literacy;
- general computer literacy;
- comfort with the internet;
- awareness of issues around intellectual property;
- specific writing and media production skills, including analysis and creative synthesis.

### **Trust**

Making judgments about the provenance of material and whether it is relevant, worthwhile and appropriate, say, for one's children requires some skill. Even if users are solely consuming rather than generating content, they are likely to benefit from knowing the processes by which material has been created in order that they can better judge what to trust.

### **Rights management**

Much user-generated content online depends, as it does in the offline world, on re-using, re-arranging or editing pre-existing material. Enabling these processes requires careful attention from site owners to ensure that intellectual property is properly managed. Some of the many issues that site owners will face include:

- the burden of negotiating rights arrangements with multiple owners.
  - For example, Google, the owner of YouTube has negotiated fees with parts of the music industry to cover users' use and re-use of material;
- the risk of litigation arising from intentional or inadvertent mis-use of copyrighted material;
- ensuring that the creators of user-generated content are properly credited and appropriately rewarded.

## **Increasing Impact**

With technology dropping in price and the increase in the number of skilled participants, the range and quality of user-generated content is likely to expand. Its impact may be enhanced by increasingly effective collaborative filtering and other network effects.

Increasing sophistication of technology is enabling greater simplicity for users and with it not only greater ease in creating high-quality content but also the prospect of creating platforms on which others can author, publish, distribute and comment.

## **Implications for the BBC**

- The proliferation of user-generated content services, with their participants' need for media literacy creates both a continued opportunity and a responsibility for the BBC. As part of the process of democratisation of the media, we believe:
  - the public need to know how to contribute and are likely to see the BBC as an expert guide to production, distribution and issues around intellectual property;
  - in order for the public to be able to judge what to trust, they need to know the processes by which material has been generated.
- The BBC, with its trusted and popular services, can provide a 'commissioning' process, an outlet and profile for user-generated content. The BBC is already active in this area (for example photographs by the public on BBC News Online, material on CBBC etc) but we believe there will be pressure for increased integration of user-generated content into the existing radio and television channels. This is likely to put strain on an organisation that is built around producers and the quality of their work.
- There may be demand for increased access to the BBC's archive as raw material for users to edit and re-use. Among the issues for the BBC to consider are:
  - the burden of rights clearance and management;
  - tagging of material, in which the public's help might be enlisted as a partial quid pro quo for usage;
  - the costs of versioning, storage and distribution;
  - the creation of guidelines for the use of BBC material;
  - the damage to the BBC or to others from inappropriate use or labelling.
- Increasing numbers of people engaged in amateur production may affect attitudes to professionally produced content. We expect to see further erosion of the difference between the standards of the two.

- As the rise of UGC continues and the number of producers of material increases there is likely to be more time spent on UGC and less on material from other sources.
- We believe that trusted brands will become increasingly important as a result of the rise of UGC.
  - The BBC's editorial role and reputation will be of great value in commissioning, hosting, linking-to and giving a platform to user-generated content, particularly in News and Current Affairs.
  - We expect to see the continued rise of new content providers who will achieve their own following. We already see examples of this on MySpace and YouTube.
- As with social networking sites, we again expect to see the development of meta-applications, enabling users to post material and otherwise interact with a variety of UGC services.
- There may be further pressure on those who host user-generated material to ensure that it complies with the law and any particular organisational guidelines. In addition to legal issues, there may be implications for the way that the host brand is regarded by users.

## Appendix 1: Useful sources

3i, Rosenblatt, Richard, *Over the horizon – what next for UGC*, (no date given).

<http://media.3i.com/page/comment/engage-or-die/over-the-horizon-what-next-for-user-generated-content>

3i, Rosenblatt, Richard, *Engage or die*, (no date given).

<http://media.3i.com/page/comment/engage-or-die/the-rise-of-user-generated-content>

AOP, *Convergence Consumer Survey*, 29 November 2007

<http://www.ukaop.org.uk/cgi-bin/go.pl/research/article.html?uid=1724>

AOP, *News websites flourish* 2 March 2007.

AOP press release, Continental Research, *TV Downloads almost double*, 29 November 2007.

<http://www.ukaop.org.uk/cgi-bin/go.pl/research/article.html?uid=1722>

BBC, MC&A 2005, *Factual and New media overview*, Spring 2005

BBC Online, *Young women dominate UK net scene*, 17 May 2007.

<http://news.bbc.co.uk/go/pr/fr/-/1/hi/technology/6662469.stm>

BBC Sparkler, *BBC web 2.0 Love and the 3 Ps*, 7 September 2006.

Brand Republic, *Weekly tune in for mobile TV fans*, 14 December 2006.

Brand Republic, *UK audience for online TV and film hit 21m*, 6 November 2007.

<http://www.brandrepublic.com/Digital/News/764965/UK-audience-online-TV-film-content-hits-21m/>

Business Week Online, *News Corp.'s Place in MySpace*, 19 July 2005.

[http://www.businessweek.com/technology/content/jul2005/tc20050719\\_5427\\_tc119.htm](http://www.businessweek.com/technology/content/jul2005/tc20050719_5427_tc119.htm)

CBI/Google Survey, *Of internet Trends for Business and Consumers*, November 2006.

<http://www.cbi.org.uk/pdf/cbigoogleysurvey1106.pdf>

Childwise *Monitor Trends Report 2007*.

Computing, *UK Broadband to hit 21m by 2012*, 20 November 2007.

<http://www.computing.co.uk/computing/news/2203830/uk-broadband-hit-21-million>

comScore.com, press release, *Social Networking goes global* 31 July 2007.

<http://www.comscore.com/press/release.asp?press=1555>

Continental Research, *Internet & Convergence Report: Autumn 2007*, May 2006.

Dutton W and Helsper E J (2007) *The Internet in Britain: 2007*. Oxford Internet Institute, University of Oxford (Oxford, UK).

[http://www.oii.ox.ac.uk/research/oxis/OxIS2007\\_Report.pdf](http://www.oii.ox.ac.uk/research/oxis/OxIS2007_Report.pdf)

Economist Online (from Economist Print Edition), *Word of mouse: Will Facebook, MySpace and other social-networking sites transform advertising?* 8 November 2007.

Economist Online (from Economist Print Edition), *Book value: Mark Zuckerberg of Face is being touted as the new Steve Jobs, and his company as the next Google*, 19 July 2007.

Economist Online (from Economist.com), *Xohm's Law: Can WiMax defeat cellular's resistance to change?* 16 November 2007.

Economist Online (from The Economist Print Edition), *Face off: An alliance around Google plans to make social networks more open*, November 2007.

E-Consultancy, *Saga launches silver surfers' social network*, 31 October 2007.

<http://www.e-consultancy.com/news-blog/364493/saga-launches-silver-surfers-social-network.html>

E-Consultancy, *Silver surfers are biggest home Pc users*, 29 June 2007.

<http://www.e-consultancy.com/news-blog/363691/silver-surfers-are-biggest-home-pc-users.html>

Enders, *UK Residential Broadband market: the guests have arrived but is the party almost over?* 1 October 2007.

Entertainment Media Research, *The 2006 National Radio Survey*, April 2006.

<http://www.entertainmentmediaresearch.com/>

European Interactive Advertising Association, *Europe Online 2005*, August 2006.

<http://www.eiaa.net/FTP/downloads/EIAA%20-%20Europe%20Online%2021.8.06.pdf>

European Interactive Advertising Association, press release, *EIAA Study Reveals Online Usage Growing Faster than Any Other Media*, 29 November 2005.

<http://www.eiaa.net/news/eiaa-articles-details.asp?lang=1&id=79>

AOP, press release, European Media and Marketing Survey, *High earners choose web for news*, 1 March 2007.

Eurostat, *Survey on Information and Communication Technologies in enterprises*, 2007.

Eurostat table, *E-commerce via the internet*, 9 August 2007.

<http://epp.eurostat.cec.eu.int/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=ir080>

Eurostat, Data Navigation Tree, Science & Technology, Information Society.  
[http://epp.eurostat.ec.europa.eu/portal/page?\\_pageid=1996,45323734&\\_dad=portal&\\_schema=PORTAL&screen=welcomeref&open=/science/isoc/isoc\\_ci/i\\_soc\\_ci\\_in&language=en&product=EU\\_MAIN\\_TREE&root=EU\\_MAIN\\_TREE&scrollto=398](http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1996,45323734&_dad=portal&_schema=PORTAL&screen=welcomeref&open=/science/isoc/isoc_ci/i_soc_ci_in&language=en&product=EU_MAIN_TREE&root=EU_MAIN_TREE&scrollto=398)

Eurostat, Information Society data 2007.

Eurostat, Population & Social Conditions, Information & Society Statistics.  
[http://epp.eurostat.ec.europa.eu/portal/page?\\_pageid=0,1136184,0\\_45572595&\\_dad=portal&\\_schema=PORTAL](http://epp.eurostat.ec.europa.eu/portal/page?_pageid=0,1136184,0_45572595&_dad=portal&_schema=PORTAL)

Forrester, *Building better online brand experiences*, 13 July 2007.

Forrester, *European Online Marketing tops E16b in 2012*, 12 July 2007.

Forrester, *European Online Video Revenues: a waiting game*, 25 May 2007.

Forrester, *Europeans and their digital photos*, 8 June 2007.

Forrester, *Firms use wikis mostly for knowledge management*, 1 June 2007.

Forrester, *Global Technographics Segmentation Predicts which consumers will use technology*, 30 May 2007.

Forrester, *Rich internet apps move beyond the browser*, 27 June 2007.

Forrester, *Security Concerns impact European online behaviour*, 3 July 2007.

Forrester, *The Emerging technologies that matter most to interactive agencies*, 11 June 2007.

Forrester, *The i-iphone is a win-win-win*, 6 July 2007.

Forrester, *ECTAS Q3 2006 Media, Marketing, and Retail Survey*, 2006.

Forrester, *What the long tail does for relationship marketing*, 9 May 2007.

Forrester, *What Women and Men want online*, 14 May 2007.

Forrester Research Inc & Intelliseek, *Indicated your overall level of trust in the following forms of advertising*.

Freshminds, *Digital Inclusion Report*, 2007.

Guardian Unlimited, *A Bigger Bang*, 4 November 2006.

Guardian.co.uk, *Britons turn off television and put down the paper as they take up broadband*, 30 November 2007.

<http://www.guardian.co.uk/business/2006/nov/30/newmedia.media>

Hitwise, *Silver Surfers favour Google, eBay and MSN Hotmail*, May 2006 .

Hitwise, *Hitwise UK Entertainment And Retail Update*, 20 June 2007.

Hitwise, *Hitwise UK Retail And Social Networking Update - 153% increase in UK Internet traffic from social networks to online retailers since last Christmas*, 22 October 2007.

Hitwise, Hopkins, Heather, *Engage or die*.

<http://media.3i.com/page/comment/engage-or-die/the-rise-of-user-generated-content>

Intelliseek, *Consumer Generated Media & Engagement Survey*, 2005.

Ipsos MORI, *Kids – The Growing Power Behind Technology*, January 2000.  
<http://www.ipsos-mori.com/polls/1999/kids.shtml>.

Ipsos MORI Loyalty, Technology Research, *Ten Years of Measuring Adoption and Usage of Technology in Great Britain: 1997 – 2007*, 2007.  
<http://www.ipsos-mori.com/technology/pdf/flyer.pdf>

Ipsos MORI, *Ipsos MORI Monthly Technology Tracker*, 18 March 2007.

Ipsos MORI, *Just Who Does the Internet Reach?*  
<http://www.ipsos-mori.com/publications/rmw/just-who-does-the-internet-reach.shtml>

Ipsos MORI, *Technology Tracker September 2007: Two thirds use internet at home or work*, September 2007.

NMA, M:Metrics, *Mobile content needs to take into account what users want*, 20 September 2007.

MC&A, FACT, *A changing world of new technology*, 1 September 2005

MC&A, Sparkler BBC Knowledge Building, *Factual and Learning, what audiences need and want*, 1 March 2006

New Media Age, *New Media Research Page*,  
<http://www.nma.co.uk/StaticPages/Research.html?liSectionID=7>

New York Times Online, *Pay up kid or your Igloo Melts*, 28 October 2007  
[http://www.nytimes.com/2007/10/28/fashion/28virtual.html?pagewanted=1&\\_r=1](http://www.nytimes.com/2007/10/28/fashion/28virtual.html?pagewanted=1&_r=1)

New York Times Online, *MySpace Joins Google Alliance to Counter Facebook*, 2 November 2007

New York Times Online, *Why Google Turned Into a Social Butterfly*, November 2004

Nielsen//NetRatings, Netview Database October 2006 – October 2007.

Nielsen//NetRatings Analytical Services, *Changing Media Report, UK@Combo: Jan 2004 – Sep 2007, Including Applications*, September 2007.

Nielsen Online, News Release, *Facebook Accounts for the Three Fastest Growing Online Brands*, 27 November 2007

Nielsen Online, News Release, *Tom, Liz and the Kids: the Greatest Affinity Brands*, 28 February 2007

Nielsen//NetRatings, News Release, *Facebook is now UK's most popular social network*, 25 September 2007

Nielsen/Buzzmetrics, *Measuring Consumer Generated Media*  
<http://www.nielsenbuzzmetrics.com/cgm>

Nielsen/Net Ratings, *Social Networking Sites Grow 47%, year over year, reaching 45 percent of web users*, 11 May 2006  
[http://www.nielsen-netratings.com/pr/pr\\_060511.pdf](http://www.nielsen-netratings.com/pr/pr_060511.pdf)



Nielsen/Net Ratings, *Mega View Search UK, home & work data*, July 2007 (extracted from press release, *What are Britons searching for?*, 6 September 2007)

nVision Research, *Changing lives technology forecasts*, Summer 2007

OECD, *Participative Web: User Generated Content*, 12 April 2007

OECD, United Kingdom Country Statistical Profiles

<http://stats.oecd.org/WBOS/default.aspx?DatasetCode=CSP2007>

Ofcom, *Media Literacy Report: Report on adult media literacy* 2006

Ofcom, *Media Literacy Audit: Report on media literacy amongst adults from minority ethnic groups*, 3 April 2006

Ofcom, *Media Literacy Audit: Report on media literacy in the nations and regions*, 26 April 2006

Ofcom, *The Communications Market 2007: Part 4 Telecommunications*, August 2007

Ofcom, *The Communications Market 2006*, August 2006

Ofcom, *The Communications Market 2005*, July 2005

Ofcom, *The Communications Market 2004*, August 2004

Office of Communications, *The Communications Market 2007: 1 Converging Communications Markets*, 2007.

Office of Communications, *Communications Market Special Report, Ethnic minority groups and communications services*, 21 June 2007.

Ofcom, *Future broadband: policy approach to next generation access*, 26 September 2007

[http://www.ofcom.org.uk/consult/condocs/nga/future\\_broadband\\_nga.pdf](http://www.ofcom.org.uk/consult/condocs/nga/future_broadband_nga.pdf)

The Office for National Statistics, *Internet Access 2007: Households and Individuals*, 28 August 2007.

O'Reilly, *Social Networking and Social Causes*, 21 August 2007

[http://www.oreillynet.com/digitalmedia/blog/2007/08/social\\_networking\\_and\\_social\\_c\\_1.html](http://www.oreillynet.com/digitalmedia/blog/2007/08/social_networking_and_social_c_1.html)

O'Reilly, Kelli Richards in Opinion, *What is Web 2.0: Design Patterns and Business Models for the Next Generation*, 30 September 2005,

<http://www.oreillynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-web-20.html>

out-law news, *Staff use of social media is an unseen threat*, 19 April 2007,

<http://www.out-law.com/default.aspx?page=7972>

Oxford Institute Surveys (OxIS), various

<http://www.oii.ox.ac.uk/microsites/oxis/>

Oxford Internet Institute, *The Social Dynamics of an Experience Technology*, October 2003

Oxford Internet Institute, Dutton W H and Shepherd A (2003), *Trust in the Internet: the social dynamics of an experience technology*,

OII Research Report No. 3 2003

<http://www.oii.ox.ac.uk/resources/publications/RR3.pdf>

Oxford Internet Institute, Dutton W H, di Gennaro C and Millwood Hargrave, A. (2005), *Oxford Internet Survey 2005 Report: The Internet in Britain*, 2005

[http://www.oii.ox.ac.uk/research/oxis/oxis2005\\_report.pdf](http://www.oii.ox.ac.uk/research/oxis/oxis2005_report.pdf)

Oxford Internet Institute, Liff S, Shepherd A, Wajcman J, Rice, R E and Hargittai E (2004), *An evolving gender digital divide?*, OII Internet Issue Brief No. 2 .2004

<http://www.oii.ox.ac.uk/resources/publications/IB2all.pdf>

Oxford Internet Institute, Mesch G (2005) *A study of adolescents' online and offline social relationships*, OII Research Report No. 8 2005

<http://www.oii.ox.ac.uk/research/publications/RR8.pdf>

PCmag.com, Encyclopedia, *Definition of Social Networking Site*

[http://www.pcmag.com/encyclopedia\\_term/0,2542,t=social+networking&i=55316,00.asp](http://www.pcmag.com/encyclopedia_term/0,2542,t=social+networking&i=55316,00.asp)

PCmag.com, Bjarin Tim, "The Future of Social Networking, 10 August 2007

<http://www.pcmag.com/article2/0,2704,2168822,00.asp>

PCmag.com, Bjarin Tim, *The Future of Social Networking, Part II*, 17 August 2007

<http://www.pcmag.com/article2/0,2704,2172344,00.asp>

PC Pro, Comscore, *Social Networking reaches 1 billion users*, 20 September 2007

<http://www.pcpro.co.uk/news/125828/social-networking-reaches-one-billion-users.html>

Pew Global Attitudes Project, *2005 Pew Global Attitudes Survey*, 21 February 2006

<http://pewglobal.org/>

Pinsent Masons, out-law.com, *The Legal Issues*, February 2007

PR Week, *Not all of us are part of the blog revolution*, 16 February 2007

Q Research Ltd, *Most teens are MySpacers*, 15 July 2007

Reed Business, de Monnick, Peter

<http://media.3i.com/page/comment/engage-or-die/the-rise-of-user-generated-content>)

Seybert, Heidi. Eurostat, Statistics in focus: Population and Social Conditions, Gender Differences in the Use of the Computer and Internet”, 11 November 2007.

[http://epp.eurostat.ec.europa.eu/portal/page?\\_pageid=1073,46587259&\\_dad=portal&\\_schema=PORTAL&p\\_product\\_code=KS-SF-07-119](http://epp.eurostat.ec.europa.eu/portal/page?_pageid=1073,46587259&_dad=portal&_schema=PORTAL&p_product_code=KS-SF-07-119)

The ClickZ Network, More Use RSS than have heard of it, 11 October 2005  
The Clickznetwork, Blackshaw, Peter, Tis the season of Brand emotion: are you listening? 29 November 2005

The Economist, Social graph-it, 21 October 2007

The world internet project

<http://worldinternetproject.net>

UK Children Go Online, (ESRC & e-society), authors: Sonia Livingstone & Magdalena Bober, *UK Children Go Online, Final Report of Key Project Findings*, April 2005

UK Children Go Online, press release, Professor Sonia Livingstone (LSE), Judith Higgin (LSE Press Office), Dr. Magdalena Bober (LSE) *Net Baffled parents may reduce children's job and education prospects*, 28 April 2005

UK National Statistics Office

<http://www.statistics.gov.uk/statbase/explorer.asp?CTG=3&SL=4970,4376&D=4721&DCT=32&DT=32#4721>

UK National Statistics Office, *Internet Access 2007: Households & Access*, 28 August 2007

Wall Street Journal Online, *A New Generation Reinvents Philanthropy: Blogs, Social Networking Sites Give 20-Somethings a Means to Push, Fund Favorite Causes*, 21 August 2007

<http://online.wsj.com/public/article/SB118765256378003494.html>

Web 2.0 Summit

<http://www.web2con.com/>

Yahoo and IPSOS Insight, *RSS User Demographics*, October 2005

## Appendix 2: Methodologies

\*All data is randomly sampled and weighted unless otherwise specified

### **CBI/Google Survey of Internet Trends for Business and Consumers, Conducted by GfK NOP, November 2006**

Sample size:	500
Age group:	UK adults 18+
Years covered:	Between 25 and 29 October 2006
Region: across	Geographically and demographically spread UK
Type of research/data:	Online interviews

### **EIAA 2005**

Sample size: 1,000 respondents  
Age group: ?  
Years covered: Between September & October 2005  
Region: UK, Germany, France, Spain, Italy and the Nordics  
(500 respondents in Belgium and the Netherlands)  
Type of research/data: 7,000 Telephone interviews

### **EIAA Mediascope survey 2007**

Sample size: 7008 interviews across 10 European countries.  
Using 2007 data from the UN, results at the total level  
were weighted to take into account the different  
countries' population sizes.  
Age group: 16+  
Years covered: Fieldwork took place between 3 – 28 September

Region:

Type of research/data: Interview length 25-30mins

### **Oxford Internet Institute, "The Internet in Britain, 2007"**

Sample size: 2,350 respondents  
Age group: Individuals 14+  
Years covered: Fielded in March-April 2007  
Region: Samples for the following regions were collected  
and weighted:  

1. North East
2. North West
3. Yorkshire and Humberside
4. East Midlands
5. West Midlands
6. Eastern
7. London
8. South East

- 9. South West
- 10. Wales
- 11. Scotland

Type of research/data: Door-door home interviews

Note: Individual Access: 67% of UK population is in reference to "adult individuals (14+) who have ever used the internet in the past anywhere"

**Office of National Statistics, "Internet Access 2007: Households and Individuals"**

Sample size: Carried out on a random sample of about 1,800 adults

Age group: 16+

Years covered: 1. Responses were collected during January, February and March 2007 for England, Wales, Scotland.

Northern

2. Responses were collected in May 2007 for Ireland.

Region: They have 12 regions listed:

- 1. South West
- 2. London
- 3. East of England
- 4. South East
- 5. Scotland
- 6. East Midlands
- 7. North West
- 8. Wales
- 9. West Midlands
- 10. Yorks & Humber
- 11. North East
- 12. Northern Ireland

Type of research/data: Interviews

Notes: 1. Individual Access: 67% is in reference adult individuals (16+) who have accessed the internet in the 3 months prior to interview

2. Source of information is from National Statistics Omnibus Survey

### **Ofcom EMG report**

Sample size:	9,118 UK adults (15+), including 783 individuals from
	ethnic minority groups.
Age group:	UK residents aged 15+
Years covered:	?
Region:	?
Type of research/data:	?
Notes:	<ol style="list-style-type: none"><li>1. EMG base number, 783, represents roughly the sub-group's penetration in total UK population in 2001 Census (7.9% of total UK population), but because base sample size is so small, caution must be taken in interpreting these numbers for EMG.</li><li>2. The sample tracker of 9,118 UK adults (15+) was designed to represent UK adults, "reflecting profile of sex, age, socio-economic group, region and employment status." The data was re-weighted on age, gender and ethnic group to reflect 2001 census.</li></ol>

### **UK Children Go Online (April 2005), p. 7**

Sample size:	<ol style="list-style-type: none"><li>1. Qualitative: 14 focus group interviews with 9-19 year olds, nine family visits and in home observations</li><li>2. Quantitative: 40 minute face to face survey of 1,511 9-19 year olds and 906 parents of the 9-17 year olds.</li></ol>
Age group:	9-19 years old and their parents (see sample size)
Years covered:	April 2003-April 2005
Region:	?
Type of research/data:	?

### **Ofcom, Communication Markets 2007**

Sample size:	
Age group:	
Year covered:	
Region:	
Type of research/data:	

**Continental Research, "Internet & Convergence Report, Autumn 2007"**

Omnibus study comprising 983 face-to-face interviews with a representative sample of UK adults aged 16 or more during June and July 2007.

Online survey of 685 respondents aged 16+ carried out in August 2007

**IPSOS Mori**

Sample size: 6010, July - September 2007; 12000 July – September 2004

Age group: 16+

Years covered: 2004 - 2007

Region: GB

Type of research/data: Questionnaire survey