

Use of the Internet Among Individuals and Enterprises

The main points covered in this study are summarised as follows:

- The percentage of households with internet access continued to grow in 2005 and an increase in broadband connections was noted, particularly in small and medium-sized enterprises (SMEs) and households.
- Iceland and the Netherlands have the highest internet access rates for households, with Finland the highest rate for enterprises.
- Household broadband connections are most widespread in Belgium and Estonia.
- In the new Member States, the proportion of individuals who have never used the internet is greater than that of regular users, with the exception of Slovakia and Estonia.
- 36% of enterprises use the internet to order goods and services.
- Almost 90% of enterprises use their own website to market their products.
- Books and travel are the most common purchases made online by private individuals.

At the Lisbon European Council in March 2000, the Heads of State and Government of the European Union adopted a strategy to prepare the EU for the challenges of the new century. It is now known as the "Lisbon strategy". The objectives set in Lisbon – increased economic growth, more jobs requiring better qualifications and greater social cohesion – were ambitious and it was recognised that information and communications technologies (ICT) had a vital role to play in achieving them. In order to give political momentum to development of the information society, the European Commission also launched the eEurope initiative. By tackling genuine problems at the right time, this initiative has contributed substantially to the political debate on the information society in Europe and beyond. The actual eEurope Action Plan was concluded at the end of 2005. Eurostat's ICT surveys conducted among households and enterprises have determined, inter alia, the rate at which these technologies are being adopted and the uses they are being put to. This issue of Statistics in focus sets out to highlight some of the initial results of the 2005 surveys.

INTERNET AND BROADBAND – COMPARISON OF HOUSEHOLDS AND ENTERPRISES

If to compare internet access in households and enterprises for a number of European countries and throughout the EU25 statistics shows that in 2005, just under half of

all households (48%) in the EU25 had internet access at home. An average of 91% of enterprises with ten or more employees had internet access as at January 2005. Finland (98%) and Denmark (97%) had the highest density of access for enterprises, and the Netherlands (78%) and Luxembourg (77%) the highest for households.

Among the new Member States, Slovenia revealed the highest rate both for households (48% for the EU25) and enterprises at 96%, the same rate as Sweden.

The largest disparity in internet access between households and enterprises is recorded in the Czech Republic, Lithuania, Greece and Slovakia. The lowest rates of access are seen in Lithuania for households (16%) and in Latvia for enterprises (75%).

In most countries, internet penetration has reached saturation point among large enterprises and SMEs. When comparing internet use between different sizes of enterprise it has been noted that Denmark, Finland, Sweden and Slovenia reveal the smallest difference between large and small enterprises (Table 1).

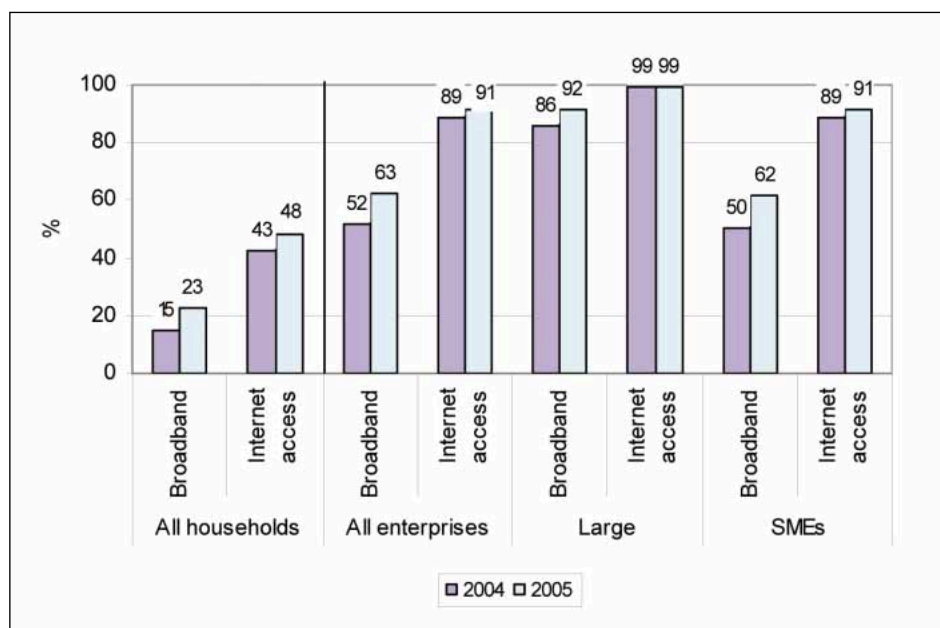


Figure 1. Internet access and broadband connections for enterprises and households – EU25, 2004-2005

Source: Eurostat, Community surveys on ICT usage in enterprises and households.

N.B.: Data not available for households in FR, IE, MT; nor for enterprises in FR, MT, PT.

		EU25	EU15	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	IS	NO
All enterprises	broadband	63	65	78	52	82	62	67	44	76	:	48	57	40	48	57	64	48	:	71	61	43	:	74	48	81	83	65	:	78
	Internet	91	92	95	92	97	94	90	92	90	:	92	92	85	75	86	92	78	:	91	95	87	:	96	92	98	96	90	:	93
Large	broadband	92	93	93	81	97	95	91	77	93	:	86	93	91	73	72	85	83	:	92	94	90	:	96	66	96	98	90	:	98
	Internet	99	99	98	100	100	99	95	100	98	:	100	99	100	98	100	100	99	:	97	100	99	:	100	98	100	100	100	:	100
Medium	broadband	79	83	89	65	91	82	79	59	86	:	62	79	60	60	67	77	66	:	84	81	65	:	88	60	90	94	84	:	91
	Internet	98	98	99	98	100	99	96	98	96	:	98	98	99	93	98	98	100	:	96	99	98	:	98	98	99	100	99	:	98
Small	broadband	59	61	75	48	80	57	63	41	74	:	43	54	36	45	54	61	43	:	68	56	36	:	69	45	78	80	61	:	76
	Internet	90	91	94	91	97	93	88	90	89	:	90	91	82	71	83	91	74	:	89	94	84	:	95	91	98	95	88	:	92

Table 1. Proportion of enterprises having internet access and a broadband connection in 2005 (%)

Source: Eurostat, Community survey on ICT usage in enterprises.

N.B.: Data not available for FR, MT, PT, IS.

Formerly reserved for large private sector companies, broadband technologies are evidently beginning to be adopted by a substantial number of SMEs and households. Almost one quarter (23%) of European households now have a broadband connection, that is, an increase of eight percentage points in 2005, whilst the majority of SMEs (62%) are now using broadband technologies, with an increase of twelve percentage points recorded for one year (Figure 1).

Those countries having the highest percentage of enterprises equipped with broadband technology are Sweden, Denmark and Finland. They are well above the average for the Member States, which stands at 63%. For enterprises as a whole, broadband connection is less widespread in Cyprus (40%), Poland (43%) and Greece (44%). On average, these three countries are twenty points below the EU25 average.

23% OF HOUSEHOLDS HAVE A BROADBAND CONNECTION

Iceland has the highest rate of household broadband connection at 63%, followed by the Netherlands with 54% and Denmark with 51% (Table 2). Almost half of all European households have internet access and 23% possess a broadband connection.

It is noted that the level of internet access is lower in sparsely-populated rural regions (40%) than in heavily-populated urban areas (52%).

DIFFERENCE OF 46 PERCENTAGE POINTS IN REGULAR INTERNET USAGE BETWEEN STUDENTS AND UNEMPLOYED PERSONS

In 2005, 43% of private individuals accessed the internet on average at least once a week and an identical number declared never to have used it (Table 3).

The EU15 numbers more regular internet users than persons who claim never to have used it. Among the new Member States, only Slovakia and Estonia fall into the same bracket. In the remaining new countries, the proportion of individuals never having used the internet is higher than the number of regular users. The same is also true of Greece, Spain, Italy and Portugal.

If we compare regular internet use by private individuals in the EU25 based on occupation, students are proportionately the most regular users of the internet. By contrast, 48% of unemployed persons claimed never to have accessed the internet. As regards regular internet use by unemployed persons, the highest level was recorded in the Netherlands (87%), followed by Sweden (80%). The two countries register rates well above

		EU25	EU15	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	IS	NO
All	Broadband	23	25	41	5	51	23	30	1	21	:	:	13	4	13	12	39	11	:	54	23	16	20	19	7	36	40	32	63	:
	Internet	48	53	50	19	75	62	39	22	36	:	:	39	32	42	16	77	22	:	78	47	30	31	48	23	54	73	60	84	:
Dense	Broadband	27	28	40	7	59	25	37	1	26	:	:	16	7	19	20	38	19	:	57	30	26	27	28	15	43	45	34	:	:
	Internet	52	55	49	22	80	62	45	29	42	:	:	41	40	50	25	68	32	:	80	49	40	36	53	33	59	67	58	:	:
Intermediate	Broadband	23	25	44	5	52	24	u	3	20	:	:	13	3	11	:	42	11	:	53	24	15	16	u	:	42	49	34	69	:
	Internet	49	53	54	18	74	61	u	15	34	:	:	38	39	59	:	83	22	:	78	48	31	30	50	:	56	83	64	86	:
Sparse	Broadband	15	19	29	3	42	15	22	0	10	:	:	6	1	7	6	36	5	:	49	15	5	11	13	4	30	36	22	54	:
	Internet	40	49	41	17	70	62	32	16	23	:	:	34	16	34	9	81	14	:	75	44	19	23	45	19	51	72	67	82	:

Table 2. Proportion of households having a broadband connection according to the degree of urbanisation in 2005 (%)

Source: Eurostat, Community survey on ICT usage in households.

N.B.: Data not available for FR, IE, MT, NO.

u = data not reliable.

	EU25	EU15	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	IS	NO
Use the Internet at least once a week																													
Total	43	46	53	26	73	54	54	18	35	:	:	28	26	36	30	63	34	:	74	49	29	28	40	43	62	76	54	81	:
Males	49	52	58	29	75	62	57	22	40	:	:	34	28	37	30	76	34	:	79	54	31	31	42	47	64	80	61	82	:
Females	38	41	48	23	71	47	51	15	30	:	:	23	24	36	29	51	33	:	68	43	28	25	39	39	60	72	47	79	:
Student	79	81	88	63	95	88	95	48	77	:	:	66	64	81	85	87	71	:	97	91	74	88	u	79	79	95	86	98	:
Employed	55	59	65	33	81	64	63	28	46	:	:	39	30	46	38	73	44	:	85	61	38	34	54	49	76	84	64	85	:
Self-employed/ family workers	47	51	69	u	74	73	u	20	39	:	:	38	22	22	16	66	49	:	83	59	24	23	u	63	67	79	61	80	:
Unemployed	32	38	39	12	68	45	u	14	27	:	:	23	29	15	7	45	22	:	87	39	12	15	u	26	37	80	u	66	:
Have never used the Internet																													
Total	43	40	39	63	14	29	36	73	50	:	:	62	64	51	61	29	60	:	18	40	58	63	48	42	23	12	28	11	:
Males	39	36	35	60	13	24	33	71	45	:	:	56	62	50	61	17	60	:	14	35	56	59	45	38	23	10	26	9	:
Females	47	44	43	65	16	33	38	75	54	:	:	67	66	52	62	40	60	:	22	45	59	66	50	45	23	13	31	12	:
Student	7	7	6	17	1	u	u	31	4	:	:	19	17	3	4	4	20	:	1	3	7	4	u	2	0	1	u	0	:
Employed	29	26	25	54	7	17	25	59	35	:	:	49	59	39	51	20	48	:	7	25	46	54	31	35	12	6	18	6	:
Self-employed/ family workers	41	38	24	u	15	14	27	74	48	:	:	52	70	65	77	22	47	:	9	32	66	68	u	20	21	11	23	9	:
Unemployed	48	41	48	75	14	28	48	72	49	:	:	64	55	72	82	45	69	:	8	45	69	70	u	53	32	8	u	21	:

Table 3. Regular internet usage in 2005 by gender and professional activity – EU25*

Source: Eurostat, Community survey on ICT usage by private individuals.

N.B.: Data not available for FR, IE, MT, NO.

* rate expressed as a percentage of the total number of individuals.

u = data not reliable.

the average for all Member States, which stands at 32%.

As regards regular internet use according to gender, we note a difference between men and women of eleven percentage points. For Hungary, Latvia and Lithuania, this disparity was much less marked, with a difference of only one percentage point. The figure for persons never having used the internet stands at an overall 47% for women as against 39% for men. Hungary and Finland recorded identical rates for men and women.

ENTERPRISES USE THE INTERNET FOR BUYING RATHER THAN SELLING GOODS

As a rule, more online orders are made than online sales. In 2004, 36% of enterprises used the internet to order goods and services. Finnish, Swedish and Danish enterprises accounted for most online orders. The volume of orders received on the internet stood at 11%. With the exception of the Czech Republic, enterprises in the new Member States registered lower than the EU average rates for purchases, sales and for total sales on the internet as a percentage of their overall turnover.

62% OF ENTERPRISES ARE REPRESENTED ON THE WEB, CHIEFLY FOR THE PURPOSE OF MARKETING THEIR PRODUCTS

In January 2005, 62% of enterprises in the EU-25 had internet access and were equipped with a website. These firms are also thus able to supply information on themselves or their products or services, provide lists or a catalogue of goods or services available with prices, or to offer an after-sales service. Such websites also permit marketing their own products or provide a webpage for loyal customers. Sweden and Denmark are the countries with the

highest rate of presence on the web. By contrast, only 29% des entreprises have their own websites in Latvia, 40% in Hungary and 41% in Lithuania.

Most enterprises with their own website use it chiefly to market their products. Just under half use it to display catalogues of their products and services and their prices. One quarter use it to offer an after-sales service to their customers (Figure 2).

ICT usage varies from one economic activity to another. The proportion of firms in the sectors "Real estate, renting and business activities" (NACE K), "Hotels and other provision of lodg-

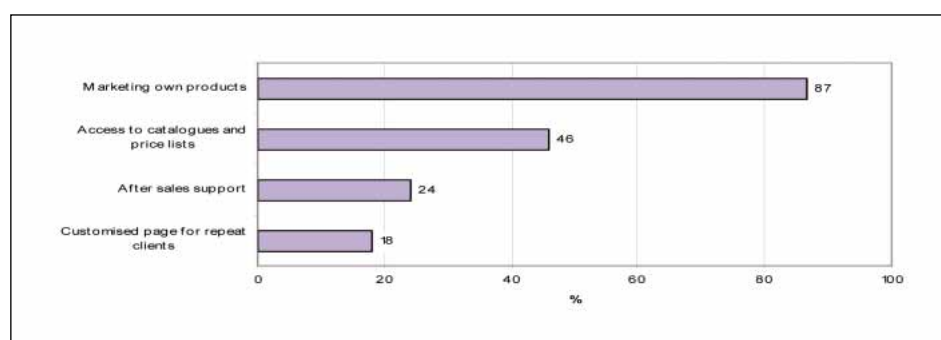


Figure 2. Services offered by websites*

Source: Eurostat, Community survey on ICT usage and electronic commerce in enterprises.

N.B.: Data not available for FR, MT, PT.

* as a percentage of all enterprises having a website.

	EU25	EU15	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	IS	NO
% of persons who bought in the last 12 months	23.1	27.2	16.3	5.5	48.0	42.4	6.8	2.5	11.7	:	:	5.9	5.1	4.8	2.2	39.0	8.1	:	:	25.3	6.9	5.8	u	9.0	38.0	50.3	44.1	44.0	:
Books/ magazines/e-learning	7.9	9.3	:	1.6	10.9	16.9	2.3	0.8	1.9	:	:	1.6	2.0	0.7	0.8	24.1	3.0	:	:	10.0	2.9	1.9	u	2.6	8.5	12.2	14.4	16.1	:
Travel and holiday accommodation	7.8	9.7	:	0.7	17.7	10.0	2.2	0.4	4.9	:	:	2.0	1.3	0.8	0.4	16.7	1.7	:	:	3.4	0.6	0.9	u	1.7	10.0	16.3	23.5	31.1	:
Clothes, sports goods	7.5	9.1	:	1.1	13.7	16.9	2.4	0.4	1.0	:	:	1.0	1.0	0.6	0.2	10.3	1.2	:	:	7.4	1.6	1.1	u	2.9	10.5	12.8	14.8	8.7	:
Films/music	7.4	9.0	:	0.5	11.3	11.1	u	0.4	1.5	:	:	1.1	1.2	1.0	0.5	15.5	1.6	:	:	4.9	1.4	1.5	u	1.1	6.8	12.7	23.4	12.3	:
Tickets	5.6	6.9	:	4.6	11.2	u	0.3	:	:	:	:	0.5	0.4	0.8	0.1	7.7	0.7	:	:	4.1	1.0	u	u	1.6	4.7	3.0	11.2	8.7	:
Household goods	5.5	6.8	:	1.0	16.8	7.6	2.8	0.2	3.1	:	:	0.9	0.1	0.6	0.5	12.4	1.6	:	:	3.9	0.6	1.4	u	0.8	8.5	9.1	15.9	11.0	:
Electronic equipment	4.6	5.4	:	2.1	8.6	8.6	u	0.3	1.2	:	:	1.0	0.9	1.4	0.1	7.3	0.9	:	:	4.4	1.6	1.1	u	1.0	4.4	7.3	10.2	4.8	:
Computer software	4.2	5.0	:	0.4	8.5	7.3	u	0.2	1.2	:	:	1.0	1.1	0.5	0.4	8.6	1.4	:	:	2.7	1.2	1.1	u	1.1	3.9	3.8	10.9	8.5	:
Computer hardware	3.5	4.2	:	0.3	10.3	5.8	u	0.6	1.2	:	:	0.8	0.7	0.4	0.2	5.9	0.8	:	:	2.2	1.3	0.9	u	0.6	5.9	5.5	8.3	4.4	:
Food/ groceries	2.3	2.8	:	0.2	3.3	2.5	u	0.0	1.0	:	:	0.4	0.3	0.1	0.1	3.1	0.5	:	:	1.8	1.2	u	u	0.2	u	0.7	8.7	2.2	:
Shares/ Financial services/ insurance	2.2	2.8	:	u	2.4	2.0	u	0.1	0.6	:	:	0.5	0.4	0.1	0.1	2.6	0.4	:	:	0.5	0.3	0.7	u	0.2	2.4	2.7	9.3	3.1	:

Table 4. The goods and services most frequently purchased on the internet by private individuals in 2005 (%)*

Source: Eurostat, Community survey on ICT usage and electronic commerce in enterprises.

N.B.: Data not available for FR, IE, MT, NL, NO.

* rate expressed as a percentage of the total number of individuals.

u = data not reliable.

ings" (NACE H 55.1-55.2) and "Motion picture and video, radio and television activities" (NACE O 92.1-92.2) with their own websites is higher than that in the sectors "Transport, storage and communication" (NACE I), "Wholesale and retail trade" (NACE G), "Construction" (NACE F) or "Manufacturing" (NACE D).

As was to be expected, those economic activities with the highest proportion of enterprises having their own websites are the motion picture, video, radio and television and the hotels sectors. The economic activity

with the lowest proportion of enterprises having their own website is that of construction.

Books and travel are the most frequent online purchases among private individuals 23% of private individuals placed online orders in 2005. Customers most often use the internet for ordering books and making travel arrangements (Table 4). Around 8% of persons declared having bought books and an almost identical percentage claimed to have made travel arrangements online. Other products most often bought on the internet are clothes

and sports goods, and films and music.

Figure 3 and Table 5 depict the four most-frequent online purchases by customer age group. Although young people aged 16-24 years are the most frequent internet users (84%), it is private individuals aged 25 to 55 years who account for the highest number of purchases. Young people show a marked interest in purchasing music/films or clothes. The intermediate age bracket accounts for most orders placed and reveals a preference for books and travel. The 55-74-year age bracket uses the internet the least (25%), but also places orders, in particular, for travel and lodgings. □

Source: Eurostat

	Total	Ages 16-24	Ages 25-54	Ages 55-74
Individuals using the Internet over the past 12 months	54.5	83.7	61.7	24.9
Individuals buying over the Internet in the past 12 months	23.1	28.0	28.4	9.9
Books/magazines/e-learning	7.9	7.8	10.2	3.3
Travel and holiday accommodation	7.8	5.8	10.1	4.3
Clothes, sports goods	7.5	9.4	9.7	2.3
Films/music	7.4	11.0	9.2	1.9
Tickets	5.6	2.7	7.9	2.6
Household goods	5.5	6.1	7.0	2.3
Electronic equipment	4.6	5.2	5.8	1.9
Computer software	4.2	4.5	5.1	2.2
Computer hardware	3.5	4.3	4.2	1.6
Food/groceries	2.3	1.8	3.1	1.1
Shares/Financial services/insurance	2.2	1.6	3.1	0.8

Table 5. Purchases made by private individuals on the internet by age group, EU-25*

* rate expressed as a percentage of the total number of individuals

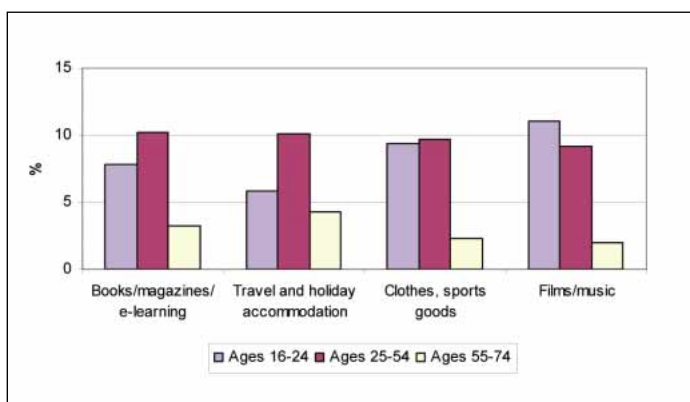


Figure 3. The four products and services most frequently purchased on the internet by age group, * rate expressed as a percentage of the total number of individuals