



# The Communications Market in England

## **4 Internet and web-based content**

# 4.1 Internet and web-based content

## 4.1.1 Recent developments in England

### UK Digital Champion

In June 2010, Martha Lane Fox was appointed by the Prime Minister as the UK Digital Champion.<sup>38</sup> Her role includes encouraging as many people as possible to get online in the lifetime of this Parliament, as well advising the government on how efficiencies can best be realised through the online delivery of public services.

In July, Race Online 2012, headed by Martha Lane Fox, launched a manifesto<sup>39</sup> for a 'Networked Nation'. The manifesto noted that one fifth of the population in the UK, ten million people, are missing out on consumer savings, access to vital information and educational success as a result of not being online.

The manifesto called for urgent action to get millions more online by the end of 2012, with key roles for government, industry and charities and the aim "to get everyone of working age online by the end of this Parliament, so that everyone who then retires will have skills to enjoy benefits of the web"<sup>40</sup>.

Race Online 2012 aims to sign up 10,000 partner organisations and individual advocates to help achieve its goal of making the UK one of the first developed countries in the world to achieve near-total internet use by 2012.<sup>41</sup>

### Home Access scheme

In January 2010 the Department for Children, Schools and Families announced<sup>42</sup> a scheme to give 270,000 low-income families across England a free computer and free broadband access, as part of a major government drive to close the digital and educational divide between rich and poor and to help keep parents in touch with their child's progress.

The £300m Home Access programme was rolled out nationally after successful pilots in Oldham and Suffolk showed a positive impact on both the pupils and their parents.

On 24 May 2010 the government announced a package of measures to reduce expenditure in the public sector. This included the planned closure of Becta,<sup>43</sup> which had been administering the Home Access scheme.

While disappointed with this outcome, Graham Badman, Chairman, and Stephen Crowne, Chief Executive of Becta, noted that the "Home Access programme will give laptops and broadband to over 200,000 of the poorest children."<sup>44</sup>

In June 2010 Becta announced<sup>45</sup> plans under the Home Access programme to provide bespoke assistive technology solutions for 12,000 children with the most profound

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<sup>38</sup> <http://www.number10.gov.uk/news/statements-and-articles/2010/06/letter-of-appointment-to-martha-lane-fox-52045>

<sup>39</sup> <http://raceonline2012.org/manifesto>

<sup>40</sup> [http://raceonline2012.org/sites/default/files/resources/manifesto\\_for\\_a\\_networked\\_nation\\_-\\_press\\_release.pdf](http://raceonline2012.org/sites/default/files/resources/manifesto_for_a_networked_nation_-_press_release.pdf)

<sup>41</sup> <http://raceonline2012.org/why-get-involved>

<sup>42</sup> [http://www.dcsf.gov.uk/pns/DisplayPN.cgi?pn\\_id=2010\\_0011](http://www.dcsf.gov.uk/pns/DisplayPN.cgi?pn_id=2010_0011)

<sup>43</sup> <http://news.becta.org.uk/display.cfm?page=2137>

<sup>44</sup> <http://news.becta.org.uk/display.cfm?resID=42305>

disabilities or special educational needs. Despite the recent announcement to close Becta, the government has committed to continuing with the assistive technology element of the Home Access programme. This will run until March 2011.

### The emergence of hyper-local

Ofcom's report on *Local and Regional Media in the UK*<sup>46</sup> noted the increasing profile and importance of hyper-local online websites in the media ecology. Research in the report found that one in five consumers claim to use community websites at least monthly, and a third of these say they have increased their use of such websites over the past two years.

These sites vary in their size and scope, but all tend to be focused on small geographic communities; be that a postcode such as London SE1<sup>47</sup> or the village of Parwich<sup>48</sup> in the Peak District, through to wider city communities such as Sheffield<sup>49</sup> or Birmingham<sup>50</sup>.

Hyper-local blogs are often primarily written by volunteers and are not for profit. Low cost, or free, content creation tools such as WordPress, Ning or Blogger have provided the online platform for many of these sites to flourish.

In the past year 4iP<sup>51</sup> and Screen West Midlands have funded 'Talk About Local'<sup>52</sup> to help train communities to develop their own online presence, while traditional media have also moved into hyper-local. The Guardian's Local project is designed to bring "a small-scale community approach to local newsgathering" in Edinburgh, Cardiff and Leeds<sup>53</sup>, while Trinity Mirror's Teesside Gazette has ten online hyper-local blogs<sup>54</sup>, each of which focus on a single postcode and are run by unpaid volunteers.

The content and tone of hyperlocal sites varies enormously. Some focus on environmental matters<sup>55</sup>, whilst others are more skewed towards storytelling<sup>56</sup>, holding local politicians to account<sup>57</sup> or a combination of all of the above<sup>58</sup>. Their breadth was showcased in the recent Talk About Local and Guardian Local Awards which were announced in April<sup>59</sup>.

With new sites being created every day, it's impossible to gauge how many hyper-local communities there are, but Openly Local currently<sup>60</sup> lists 295 sites across the UK, the majority of which are in England.

#### 4.1.2 Broadband take-up

The growth of the internet has provided another platform over which content can be delivered to consumers. Rapid take-up of fast broadband connections by consumers means

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<sup>45</sup> <http://news.becta.org.uk/display.cfm?resID=42308>

<sup>46</sup> <http://stakeholders.ofcom.org.uk/market-data-research/tv-research/lrmuk/>

<sup>47</sup> <http://www.london-se1.co.uk/>

<sup>48</sup> <http://parwich.org/>

<sup>49</sup> <http://www.sheffieldforum.co.uk/>

<sup>50</sup> <http://www.birminghamitsnotshit.co.uk/>

<sup>51</sup> <http://www.digitalbirmingham.co.uk/blog/4ip-projects-announced>

<sup>52</sup> <http://talkaboutlocal.org.uk/>

<sup>53</sup> <http://www.guardian.co.uk/help/insideguardian/2010/jan/28/guardian-local-beatbloggers-recruited>

<sup>54</sup> <http://www.gazettelive.co.uk/gazette-communities/>

<sup>55</sup> <http://www.kingscrossenvironment.com/>

<sup>56</sup> <http://spitalfieldslife.com/>

<sup>57</sup> <http://pitsnpots.co.uk/>

<sup>58</sup> <http://ventnorblog.com/>

<sup>59</sup> <http://www.guardian.co.uk/local/2010/apr/19/talk-about-local-unconference-award-winners>

<sup>60</sup> [http://openlylocal.com/hyperlocal\\_sites](http://openlylocal.com/hyperlocal_sites)

that the majority of households can now receive content in this way (though by no means all do). In recent years the internet has had a significant impact on how content can be consumed. For example:

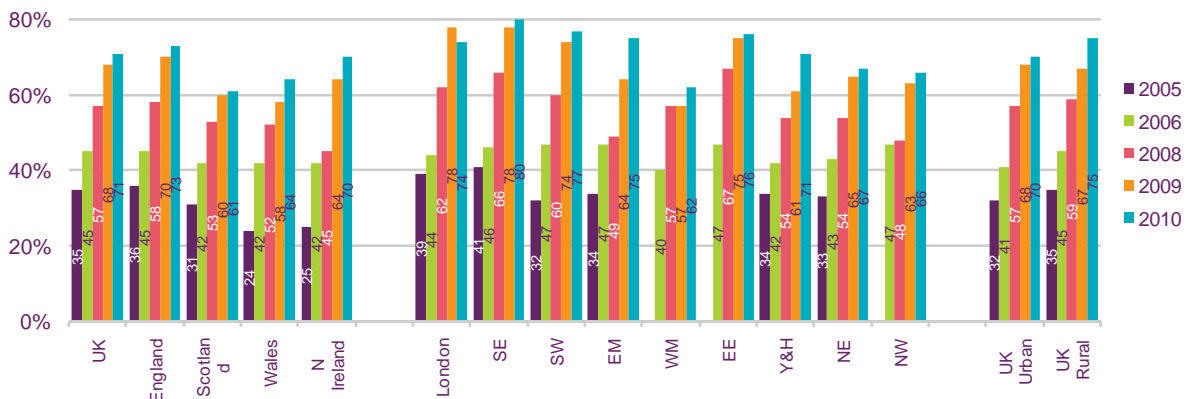
- it allows **existing services** such as some government services, banking and other information services to be delivered to citizens and consumers online; and
- it has allowed **new, specifically internet-based forms of content** to emerge (such as social networking sites, blogs and other user-generated content).

### At 73%, broadband take-up continues to be higher in England than in the other nations of the UK

England continues to have the highest levels of internet (75%) and broadband (73%) ownership among the UK's four nations. Broadband take-up increased by three percentage points between Q1 2009 and Q1 2010, which is likely to be the result of an increase in take-up of mobile broadband (see Figure 4.1).

In England, broadband penetration is highest in the South East (80%) and lowest in the West Midlands (62%). Take-up is higher in rural areas than in urban areas, with rural areas five percentage points ahead, at 75%.

**Figure 4.1 Broadband take-up trend, 2005-2010**



Source: Ofcom research, Q1 2010

Base: All adults aged 15+ (n = 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

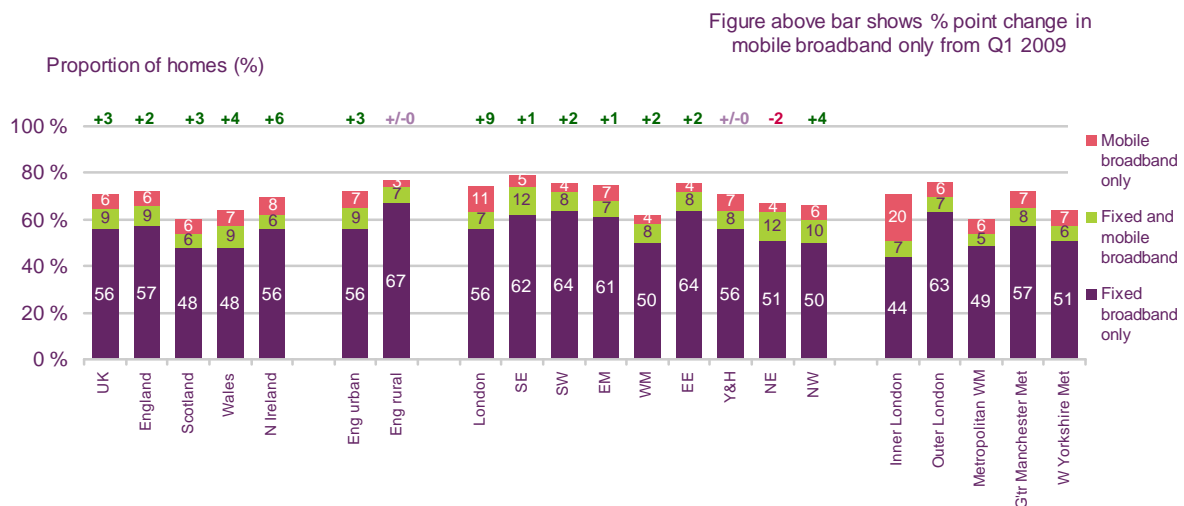
Note: includes households with a fixed-line and/or a mobile broadband connection

QE9. Which of these methods does your household use to connect to the internet at home?

In Q1 2010, 15% of households in England claimed to access the internet via mobile broadband (Figure 4.2). Nearly two-thirds of mobile broadband users also had a fixed-line broadband connection at home, but 6% of households used mobile broadband as their only means of accessing the internet.

There was higher take-up of mobile internet in urban (16%) than in rural (10%) areas, with London and the South East having the highest proportion of mobile broadband connections (18% and 17% respectively). Take-up is even higher in inner London, rising to 27% of households with a mobile broadband connection.

**Figure 4.2 Internet take-up**



Source: Ofcom research, Q1 2010

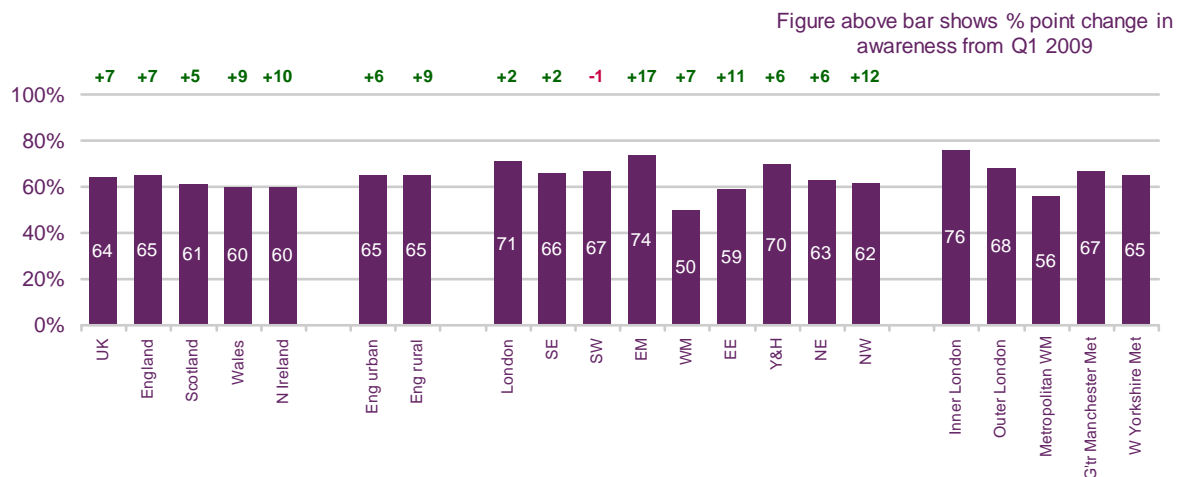
Base: All adults aged 15+ (n = 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

QE9. Which of these methods does your household use to connect to the internet at home?

**Three-quarters of people in inner London are aware of mobile broadband**

Awareness of mobile broadband has increased across all the nations since Q1 2009 and was highest in England, increasing by seven percentage points to 65%. Across the regions, levels of awareness were higher in the East Midlands (74%) and London (71%), and were particularly high in inner London (76%). Awareness was lowest in the West Midlands (50%).

**Figure 4.3 Awareness of mobile broadband**



Source: Ofcom research, Q1 2010

Base: All adults aged 15+ (n = 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

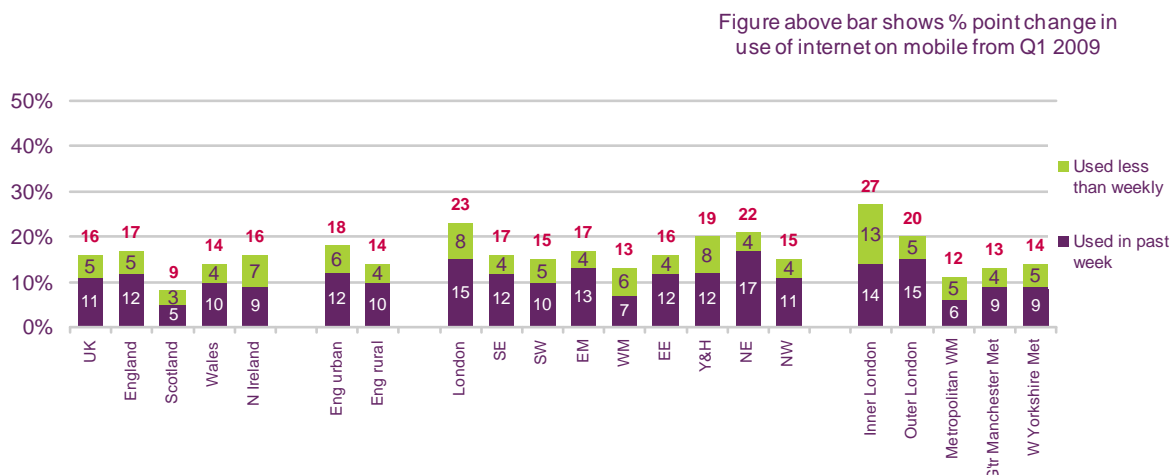
QE21. Before now, were you aware that you can access broadband services on your PC or laptop by using a mobile network?

**Internet use via mobile phones has reduced, particularly in London and the South East**

One in six (17%) of adults in England accessed the internet via a mobile phone in Q1 2010. This is similar to levels in Northern Ireland (16%) and Wales (14%) but almost double the

level in Scotland (9%). The highest use of mobile internet services was in London (23%) and the North East (22%). Adults in inner London were more likely to access the internet via a mobile than those in outer London, which is likely to be due to lower levels of fixed broadband take-up (see Figure 4.2). It may also relate to the relatively large transient population of inner London.

**Figure 4.4 Proportion of adults who have used a mobile phone to access the internet**



Source: Ofcom research, Q1 2010

Base: All adults aged 15+ (n = 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

QD28. Which, if any, of the following activities, other than making and receiving calls, do you use your mobile for?

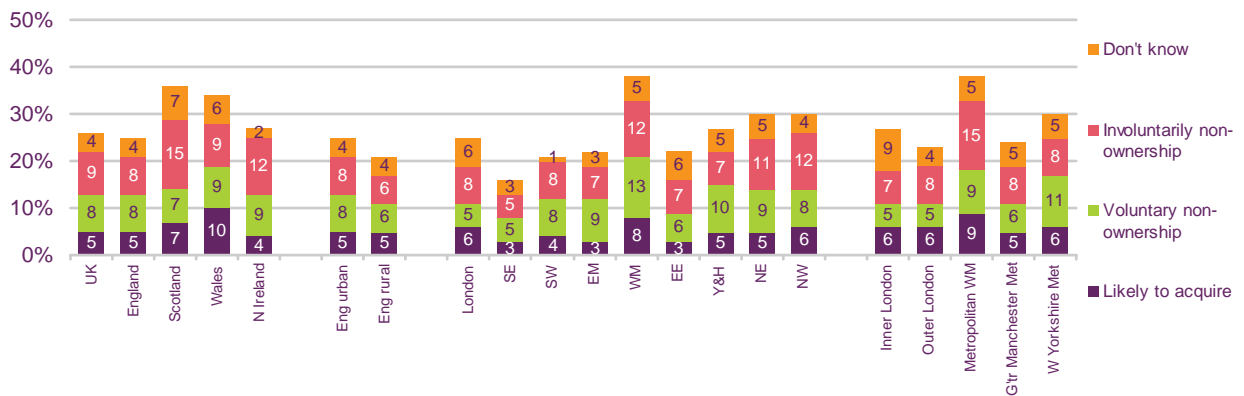
### Non-ownership of broadband

There are many reasons for not having the internet, and these fall into two broad categories: voluntary and involuntary. Voluntary non-ownership is where potential consumers do without services because they perceive they do not need them, or because they are satisfied with alternative services. Involuntary non-ownership is where potential consumers do without services, but not through choice; this is mainly due to affordability or lack of availability. In the following analysis, where consumers gave multiple responses which fell into both categories, these have been reported as 'involuntary'.

Less than one in ten (8%) adults in England said that they did not have internet access at home for involuntary reasons, and England was the nation least likely to state involuntary reasons for non-ownership.

Within England, the West Midlands metropolitan area had the highest proportion of people saying they did not have internet access at home for involuntary reasons (15%). The lowest proportion of people claiming this was in the South East region, at 5%.

**Figure 4.5 Households without an internet connection**



Source: Ofcom research, Q1 2010

Base: All adults aged 15+ (n = 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

QE24. How likely is it that your household will get internet access at home in the next 12 months?

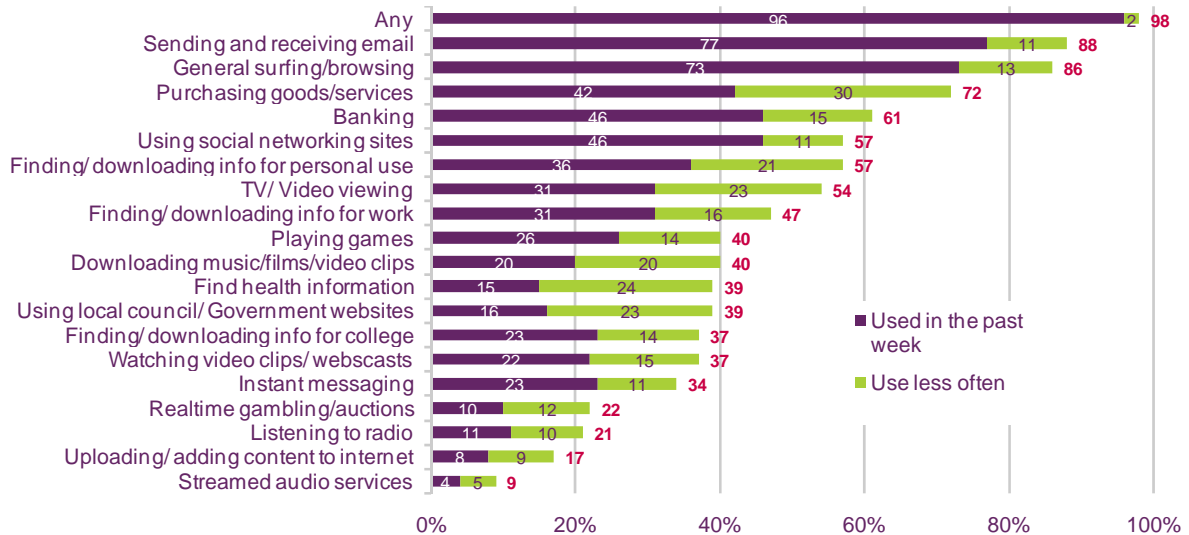
QE25. Why are you unlikely to get internet access at home in the next 12 months?

### 4.1.3 Regional use of the internet to access services

#### Use of internet applications

The internet is used for a range of activities and tasks. In England the most popular uses were sending and receiving email and general surfing/browsing, with three-quarters of adults using the internet at least weekly for these activities. Purchasing goods or services is also popular; 72% of adults use the internet for this purpose.

**Figure 4.6 Use of online applications among broadband users in England**



Source: Ofcom research, Q1 2010

Base: All adults aged 15+ with broadband internet at home (n= 3898 England)

QE5. Which, if any, of these do you or members of your household use the internet for while at home?

Increasingly, people with a broadband connection are going online to access and engage in traditional 'offline' services and activities. Accessing services and content in this way has the potential to bring real benefits in terms of time, functionality and cost to citizens and consumers. For the first time in this report, we are presenting some of the findings of our

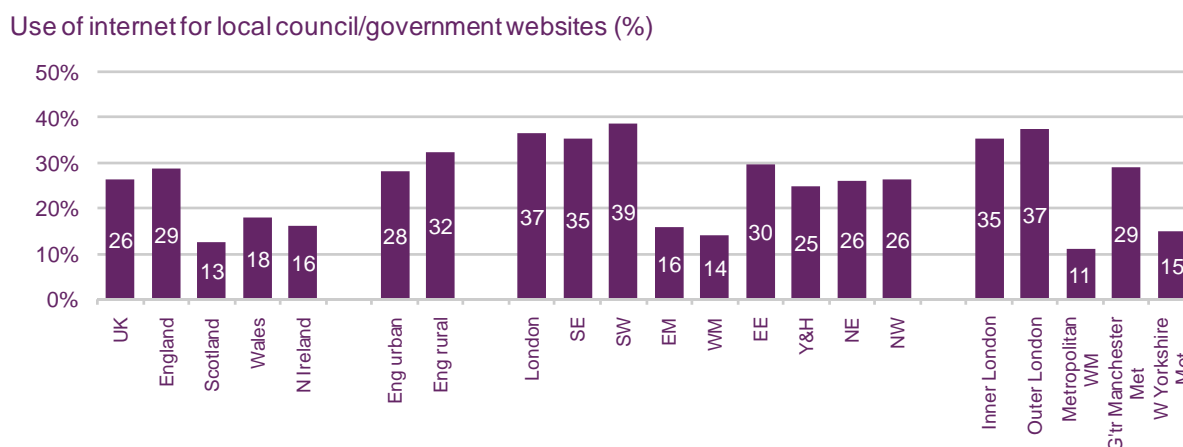
consumer research into three of these topics: accessing government services, online banking, and accessing information on health-related issues.

### Three in ten people in England access government and council services online

Almost all local, regional and central government departments, agencies, executives and bodies have an online presence. And as well as information, services such as driving licence renewal are increasingly being delivered online. Looking at the regional coverage (or proportion of unique online persons) of government websites is one way of assessing engagement with these services in the nations and regions.

Ofcom research shows that across the UK, 26% of adults with internet access at home visited a government or local council website in Q1 2010. In Wales the figure stood at 18%; below the UK average but higher than the figures for Northern Ireland (16%) and Scotland (13%). England had the highest figure for any UK nation, with 29% of people claiming to use the internet to access government services. Within England, coverage varied widely from 11% in the metropolitan West Midlands to 37% in outer London.

**Figure 4.7 Use of the internet to access local council/government websites**



*QE5A-B. Which, if any, of these do you or members of your household use the internet for whilst at home?*

Source: Ofcom research, Q1 2010

Base: Adults aged 15+ with access to the internet at home (n= 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

### Half of all people in rural areas use the internet for online banking

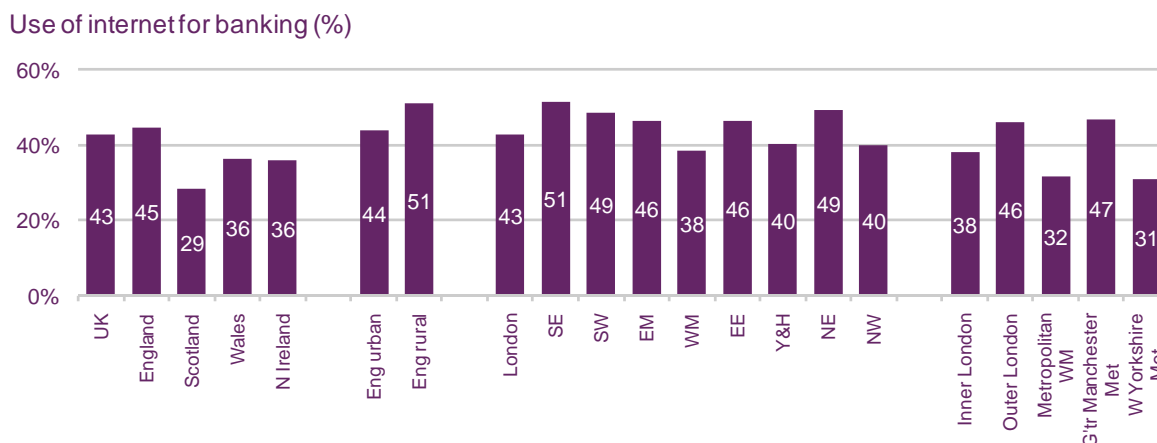
Online banking allows people to manage their money from the comfort of their own homes, and among other things, allows them to check balances, pay bills, open accounts and transfer money.

Our research shows that across the UK, four in ten (43%) people visited a banking website in the first quarter of 2010. Use of these sites was highest in England (45%) followed by Wales and Northern Ireland (both 36%) and Scotland (29%). In England use of online banking was lowest in the West Yorkshire metropolitan area (31%), and highest in the South East (51%). Use of online banking was higher in rural areas (51%) than in urban areas (44%). This may reflect the fact that people in urban areas have easier access to a high street branch.



These data suggest that around half of internet users are not using online banking regularly. This is likely to be for a number of reasons including concerns about security, and the fact that under-18s are less likely to have a bank account.

**Figure 4.8 Use of the internet to access online banking websites**



QE5A-B. Which, if any, of these do you or members of your household use the internet for whilst at home?

Source: Ofcom research, Q1 2010

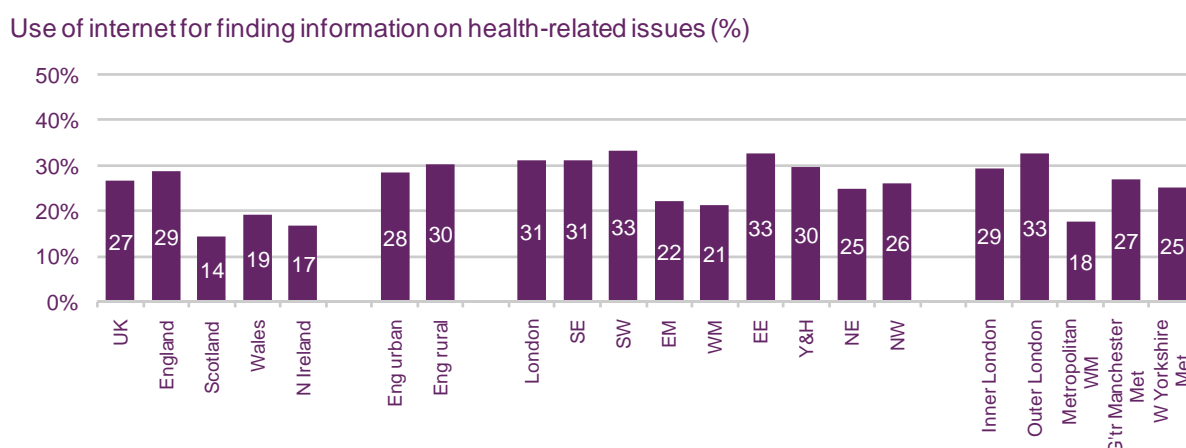
Base: Adults aged 15+ with access to the internet at home (n= 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

### Using the internet to access health-related information is most popular in England

The internet has also had an impact on how people can find out more about a wide range of health issues. It allows those organisations (whether the NHS, private health providers or otherwise) that offer information and support a way to reach their target audience easily and cheaply; it also opens up to individuals a vast array of information on almost any health issue. This brings both advantages and disadvantages. For instance, during the swine flu outbreak, people could access advice through portals like *Direct.gov* and *NHS Choices*, which may have helped to keep infectious individuals away from surgeries. But the sheer amount of information on the internet has also raised concerns about inaccuracies and incorrect self-diagnosis.

Twenty-seven per cent of adults in the UK claimed to use the internet to find information relating to health issues. This figure varied from 14% in Scotland to 29% in England. Within England, the proportion of people using the internet for this purpose ranged from 18% in the metropolitan West Midlands to 33% in the South West, East of England and outer London areas. There was no significant difference between rural and urban areas.

**Figure 4.9 Use of the internet to find information on health-related issues**



QE5A-B. Which, if any, of these do you or members of your household use the internet for whilst at home?

Source: Ofcom research, Q1 2010

Base: Adults aged 15+ with access to the internet at home (n= 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

#### 4.1.4 Social networking

##### 42% of households in England use social networking sites

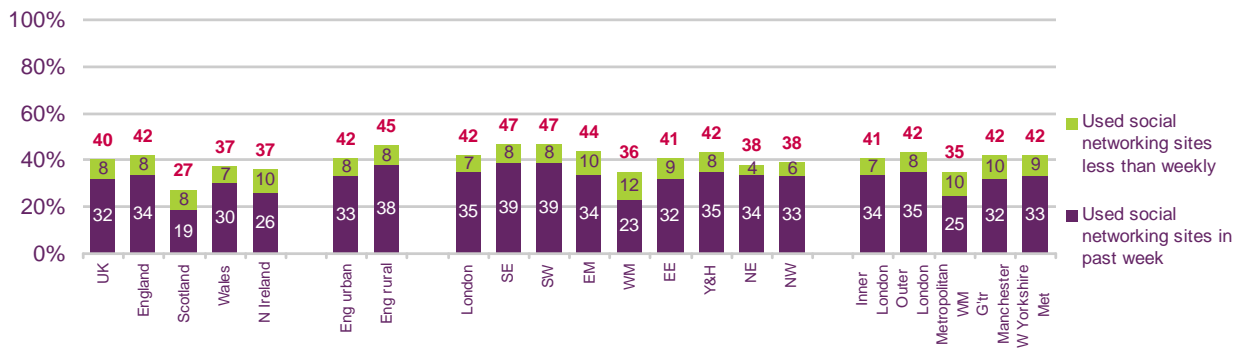
Social networking sites (SNS) are websites such as Facebook and MySpace on which users can create their own profiles using text, graphics and photos, join groups of people with common interests and send messages to other site members.

Use of SNS has continued to grow across the UK, and is closely linked to changes in broadband penetration. In England, two in five adults (42%) live in a household that uses the internet for this activity and a third (34%) reported having used social networking sites in the past week. Across the nations, use of SNS was lowest in Scotland (27%).

Since Q1 2009, use has increased faster in rural areas (an increase of 19 percentage points to 45%) than in urban areas (an increase of ten percentage points to 42%), driven by higher broadband penetration. Rural areas now have higher levels of SNS use than urban areas. Across the English regions, use is highest in the South East and South West (both 47%) and lowest in the West Midlands (36%).

Our UK report shows that Facebook is the most popular SNS by some distance, and is likely to be responsible for much of the growth found in our research. All major SNS are now optimised for mobile phones, and it is likely that this will be an area of future growth, particularly as smartphones become more widespread.

**Figure 4.10 Frequency of use of social networking sites**



Source: Ofcom research, Q1 2010

Base: All adults aged 15+ (n = 9013 UK, 5709 England, 1468 Scotland, 1075 Wales, 761 Northern Ireland)

QE5A-B. Which, if any, of these do you or members of your household use the internet for whilst at home?/ And, which, if any, of these activities have you or members of your household used the internet for in the last week?