

Semiannual Survey Report on the Development of China's Internet (July. 2001)

China Internet Network Information Center

The statistics on the development of China's Internet, which includes the total number of hosts and Internet users, the distribution of users and traffic pattern, the registration of domain names and so on. The information is quite important for government decision makers and valuable for commercial enterprises to make their business decisions. In 1997, the authorities concerned determined that the survey should be carried out by CNNIC, in cooperation with other four major network organizations in China.

From November 1997 to January 2001, CNNIC had published its survey for seven times. These survey reports were well accepted and widely cited by the public both domestic and overseas. Furthermore, many organizations continuously request CNNIC to announce the latest statistics. To systemize the survey and to make it regular, the CNNIC decided to conduct the survey semiannually, and issue the report in January and July each year.

It should be pointed out that the Telecom Administration affiliated to MII (the Ministry of Information Industry) and the State Informatization Office had signed the document in which requests relative organizations to cooperate with the CNNIC's survey. A good many of Internet organizations, supporting websites and media gave strong backing to us, by which our survey could carry on smoothly.

The content of the current survey includes: the total number of users and hosts, the number and distribution of domain names, the international bandwidth of each network, and the total number of Websites. The survey analyzed the distribution, general information and characteristics of domestic users, and also provides users' information about their access situation, behavior, and custom, even their views toward certain relative hot issues.

In accordance to the statistics theory and International conventions, we integrated the experiences of previous seven surveys, adopting many methods such as automatic online searching, online survey and sampling survey. Among which the sampling survey intends to show the total amount of Chinese Internet users, their characteristics and their behaviors in using the Internet. While the online survey intends to show the situation of Internet usage, users' practices and their attitude toward some hot issues. From the early June 2001 to the end of June 2001, CNNIC conducted its online survey and sampling survey. Our survey questionnaire was catenated to many famous domestic Websites. The whole procedure was strongly supported by numerous well-known Chinese ISPs and ICPs. The online survey had received 144,083 responses, among which 78,342 responses were valid. For the off line survey, we carried on telephone interviews by using the

sampling survey method, and 4,828 samples are available (under the confidence coefficient of 95%, the absolute error of the result is less than 2%).The closing date for the survey is June 30, 2001.

I. The General Develop Situation of China's Internet:

A. Computer Hosts in China:

Totally about 10,020,000. Among them, 1,630,000 are connected through leased lines and 8,390,000 are through dial-up connections.

B. Internet Users in China:

Totally 26,500,000. Among them, 4,540,000 use leased line connections, 17,930,000 are dial-up users and 4,030,000 use both. Besides computer users, people who use other equipment (e.g. mobile terminals and information electrical appliance) are 1,070,000.

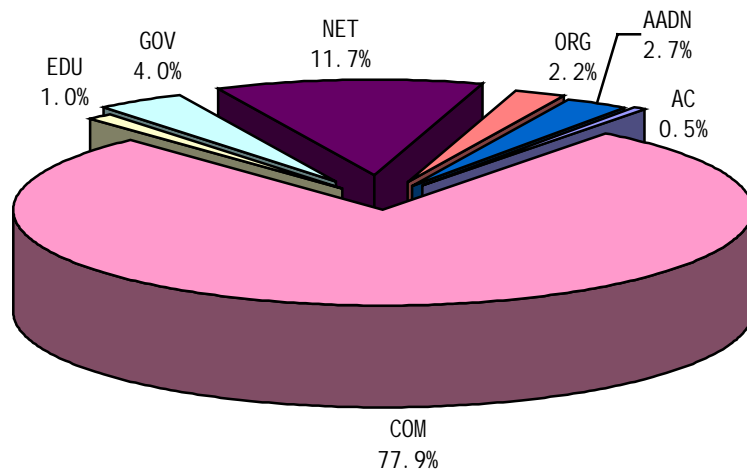
Annotation: CNNIC defined the Chinese Internet users as Chinese citizens who use the Internet at least one hour per week.

C. Domain Names Registered Under ".CN":

	AC	COM	EDU	GOV	NET	ORG	AADN	TOTAL
Number	667	99922	1239	5181	15055	2864	3434	128362
Percentage	0.5%	77.9%	1.0%	4.0%	11.7%	2.2%	2.7%	100.00 %

AADN: Administration Area Domain Name

The proportion is demonstrated as follows:



1. The Distribution of Domain Names :

	Beijing	Shang hai	Tianjin	Chong qing	Hebei	Shanxi	Inner Mongolia
Number	44304	11931	2155	1174	2335	840	624
Percentage	34.8%	9.4%	1.7%	0.9%	1.8%	0.7%	0.5%
	Liao ning	Jilin	Heilong jiang	Jiang su	Zhe jiang	Anhui	Fujian
Number	4219	864	1276	6575	5399	1217	2997
Percentage	3.4%	0.7%	1.0%	5.2%	4.3%	1.0%	2.4%
	Jiangxi	Shan dong	Henan	Hubei	Hunan	Guang dong	Guangxi
Number	514	4994	2041	2318	1257	18000	900
Percentage	0.4%	3.9%	1.6%	1.8%	1.0%	14.1%	0.7%
	Hainan	Sichuan	Guizhou	Yun nan	Tibet	Shaanxi	Gansu
Number	987	2437	413	1655	170	1747	451
Percentage	0.8%	1.9%	0.3%	1.3%	0.1%	1.4%	0.4%
	Qinghai	Ningxia	Xinjiang	Hong Kong	Macao	Taiwan	
Number	105	342	1195	1572	----	----	
Percentage	0.1%	0.3%	0.9%	1.2%	----	----	

D. THE NUMBER OF “WWW” WEBSITES (.CN , .COM , .NET , .ORG): 242739

The distribution of “WWW” websites domain names :

	AC.C N	COM (.CN)	EDU (.CN)	GOV.CN	NET (.CN)	ORG (.CN)	DISTRICT .CN	TOTAL
Percentage	0.2%	78.7%	0.5%	1.4%	14.9%	3.7%	0.6%	100 %

The geographical distribution of “WWW” websites :

	Beijing	Shang hai	Tianjin	Chong qing	Hebei	Shanxi	Inner Mongoli a
Percentage	21.8%	10.7%	1.7%	1.0%	2.2%	1.0%	0.7%

	Liao ning	Jilin	Heilong jiang	Jiangs u	Zhe jiang	Anhui	Fujian
Percentage	3.6%	0.9%	1.6%	6.0%	5.3%	1.4%	5.7%
	Jiangxi	Shan dong	Henan	Hubei	Hunan	Guang dong	Guangxi
Percentage	0.8%	3.3%	2.3%	2.3%	1.7%	14.0%	1.4%
	Hainan	Sichuan	Guizhou	Yun nan	Tibet	Shaanxi	Gansu
Percentage	1.1%	3.2%	0.6%	1.2%	0.3%	1.8%	0.7%
	Qinghai	Ningxia	Xinjiang				
Percentage	0.2%	0.4%	1.1%				

E. The Total Bandwidth of Leased International Connections: 3257M.

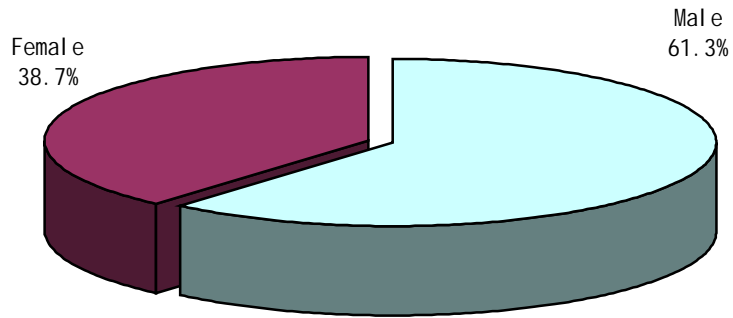
Countries directly interconnected to China's Internet include the United States, Canada, Australia, Britain, Germany, France, Japan, South Korea, etc. The detailed distribution among Interconnecting Networks is as follows.

- CSTNET : 55M
- CHINANET : 2387M - Beijing 863M , Shanghai 867M , Guangzhou 657M
- CERNET : 117M
- CHINAGBN : 151M - Beijing 51M , Shanghai 49M , Guangzhou 51M
- UNINET : 100M - Shanghai 47M , Guangzhou 53M
- CNCNET : 355M - Shanghai 200M , Guangzhou 155M
- CIETNET : 2M
- CMNET : 90M - Beijing 45M , Guangzhou 45M
- CGWNET :(Under Construction)
- CSNET :(Under Construction)

II. Results of Online Questionnaire:

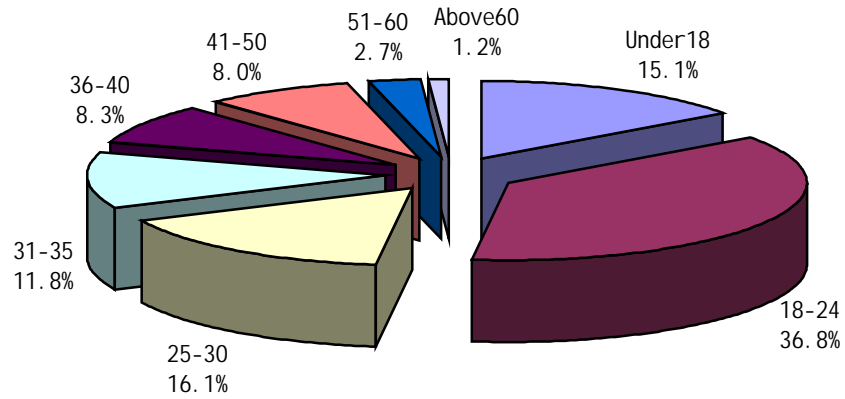
A. Users' Personal Information:

*1 . Gender : Male 61.3% , Female 38.7%

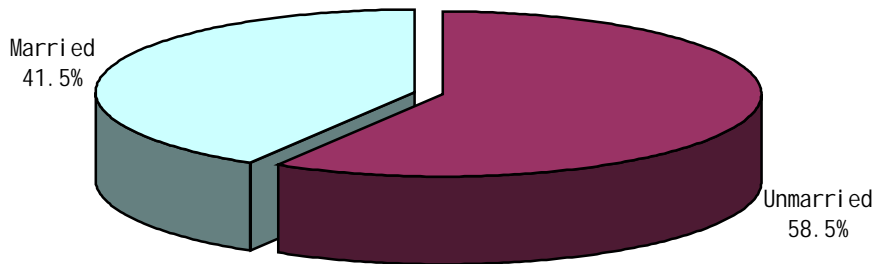


*2. Age :

Under18	18-24	25-30	31-35	36-40	41-50	51-60	Above60
15.1%	36.8%	16.1%	11.8%	8.3%	8.0%	2.7%	1.2%

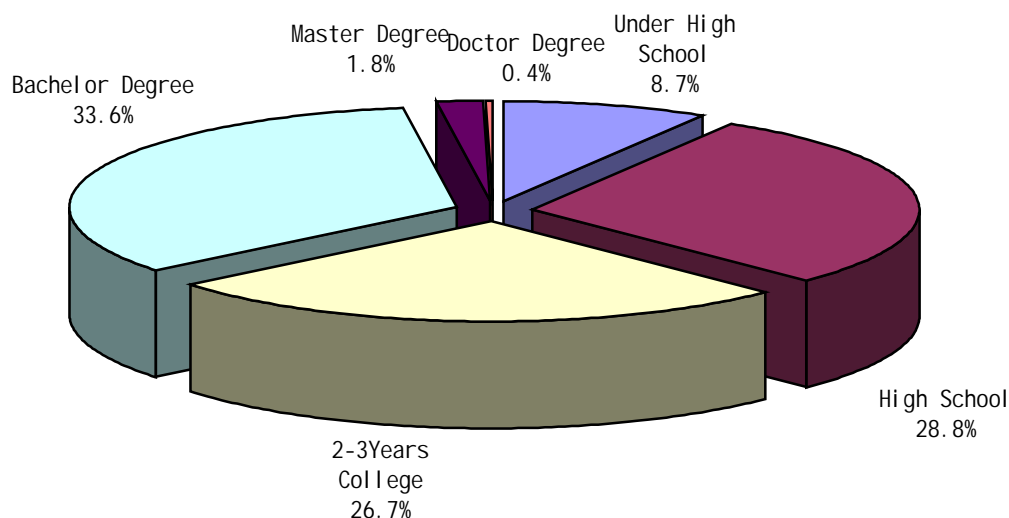


*3. Marital Status : unmarried 58.5% , married 41.5%



*4. Education Attainment :

Under High School	High School	2-3Years College	Bachelor Degree	Master Degree	Doctor Degree
8.7%	28.8%	26.7%	33.6%	1.8%	0.4%



*5 . Distribution of Industry (Not including army man , student and unemployed people) :

Government	Business and Taxation Administration	Transportation	Trade and Commerce
9.6%	2.0%	4.1%	14.2%
Financial, Insurance and Real estate Industry	Information and Consultation	Service Industry	Police, Censurate and Court
10.1%	3.0%	7.7%	2.4%
Entertainment and Sports	News and Advertising	Science research And Education	Postal Service and Communication
0.6%	0.9%	10.0%	4.7%
Computer Industry And IT Industry	Manufacturing	Water, Electricity and Air feed Industry	Architecture
9.0%	8.1%	5.0%	4.1%
Mining,	Agriculture	Others	
0.9%	1.5%	2.1%	

*6 . Distribution of users' career :

Government Officer	Engineering Person	Clerk	Service person
8.8%	20.6%	18.6%	12.0%
Peasant	Manufacturer and operator	Army man	Student
1.2%	4.9%	1.2%	23.0%
Unemployed people	Others		
5.7%	4.0%		

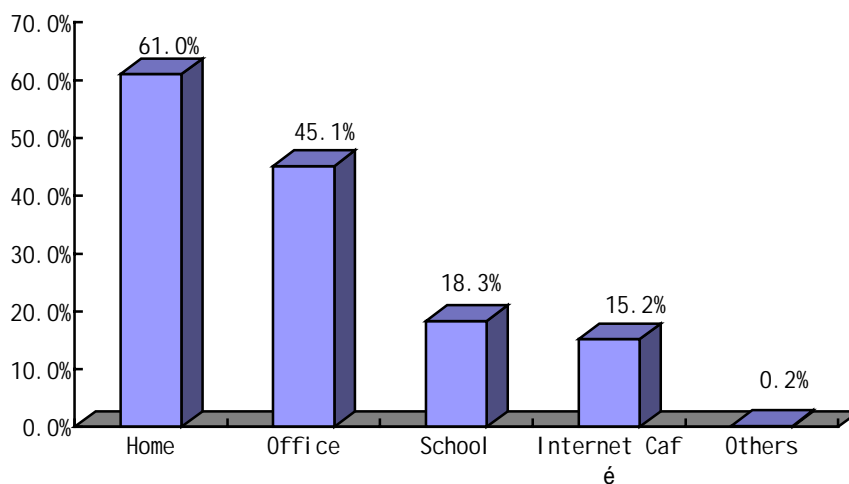
*7 . Monthly Income per Capita (RMB) :

Under 500	501-1000	1001-1500	1501---2000	2001---2500	2501---3000
20.0%	25.5%	16.3%	9.0%	5.6%	3.7%
3001---4000	4001---5000	5001---6000	6001---10000	Above10000	No Income
3.1%	1.4%	0.5%	0.5%	1.1%	13.3%

B. Use and Access:

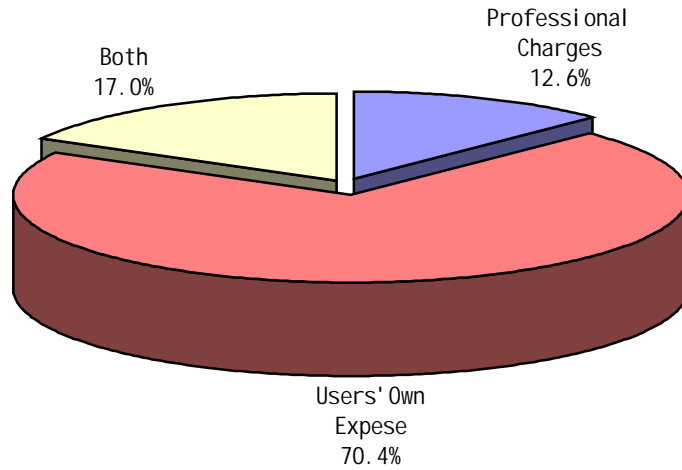
*1. Main Access Locations (results of multiple choices) :

Home	Office	Internet Cafe	School	Others
61.0%	45.1%	15.2%	18.3%	0.2%



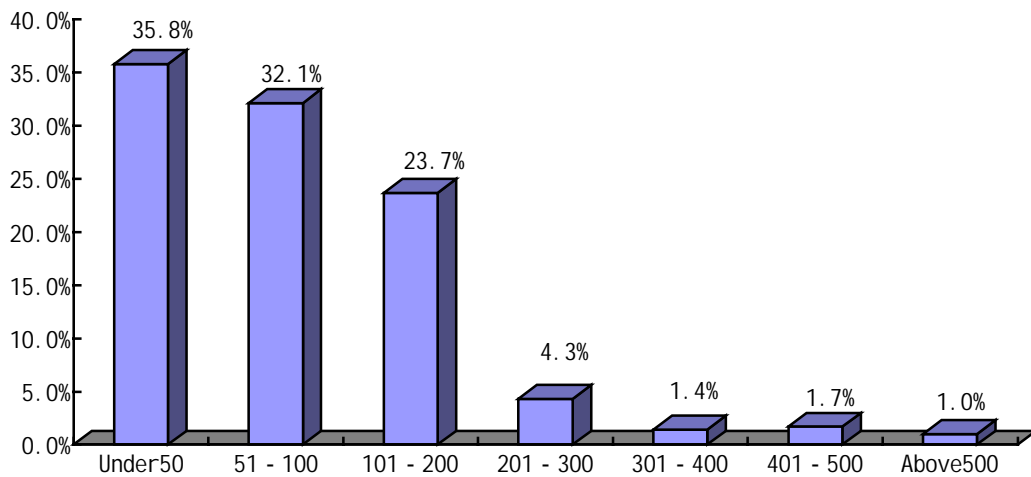
*2 . Access Expenditure (results of multiple choices) :

Professional Charges	Users' Own Expense	Both
12.6%	70.4%	17.0%



*3 . Monthly Expenditure (RMB) :

Under50	51-100	101-200	201-300	301-400	401-500	Above500
35.8%	32.1%	23.7%	4.3%	1.4%	1.7%	1.0%



*4 . Hours Spend per Week : 8.7 Hours (average)

*5 . Days Spend per Week : 3.3 Days (average)

*6 . Time Period of Most Likely Keeping Online (Results of Multiple Choices) (O'clock) :

0 , 1	2 , 3	4 , 5	6 , 7
14.4%	4.1%	3.3%	3.7%
8 , 9	10 , 11	12 , 13	14 , 15
24.4%	30.8%	29.3%	42.1%
16 , 17	18 , 19	20 , 21	22 , 23
35.9%	39.5%	77.2%	49.8%

*7 . Average amount of E-mail account : 2.6/ person

Free mail Account : 2.3/ person

*8 . E-mail Received per Week : 12.9

E-mail Send per Week : 8.2

*9 . Personal Web page ownership :

Yes : 24.4%

No : 75.6%

*10 . Primary Goal for Accessing the Internet (Multiple Choice) :

- Get Information (including news) 42.9%
- Education (Learning computer and other new technologies) 4.3%
- For Work/Business needs 5.8%
- Entertainment (online chatting, making friends, playing games, etc.) 34.4%
- Get free Internet Recourses (free E-mail account, free Personal homepage hosting, free resources download services) 3.1%
- Communication (receive/send emails, short information; send faxes, etc.) 4.1%
- Accessing Stock Trading and Information Retrieval 4.1%
- Online Shopping 0.3%
- Jumping on the Bandwagon 0.5%
- Others 0.5%

11 . Services that were Used the Most Frequent (Multiple Choices) :

- Email 74.9%
- Search Engine 51.3%
- Software Downloading and Uploading 43.9%
- Information Acquiring 39.5%
- Online Chatting 21.9%
- Online Pager(OICQ,QQ,ICQ etc.) 31.6%

■ Newsgroup	10.7%
■ BBS Services	9.0%
■ Free Personal Website Hosting	8.4%
■ Online game and Entertainment	15.8%
■ Stock Trading and Information Retrieval	10.3%
■ Online Shopping and Trading	8.0%
■ Online Education	11.8%
■ IP Telephone	2.0%
■ Online Payment	1.8%
■ Other Services	0.2%

12 . Primary Information Gathered Online (Multiple Choice) :

■ News	63.5%
■ Computer Hardware and Software	44.2%
■ Entertainment Information (sports, music, art, etc.)	44.1%
■ Electronic Books	32.8%
■ Science and Education Information	31.4%
■ Financial, estate Information	19.0%
■ Job Listings	19.8%
■ Trade and Commerce Information	10.4%
■ Travel Information	12.5%
■ Advertisement	6.5%
■ Medical Care Information	7.6%
■ Matchmaking Services	4.7%
■ Laws, regulations and Policies	12.2%
■ Others	1.0%

13 . The distribution of Information that had been viewed :

Chinese Language Information	78.7%
Domestic Information	71.3%

C. Users' Opinions Toward Some Hot Issues:

1 . Primary Considerations in Choosing ISPs :

■ Connection Speed	37.9%
■ Serve Quality	26.3%
■ Price	26.7%
■ Name Recognition	7.8%
■ Others	1.3%

2 . Criteria for a Successful Website :

■ Profuse of Information, Timely Update and Attractive Services (e.g. Free Email, Shareware Downloading, Free Stock Market Information, etc.)	74.2%
■ High-speed Navigation within the Website	14.2%
■ Facilitate Interactions Allowing Visitors to Communicate with Each Other	6.9%
■ Well Designed	3.7%
■ Others	1.0%

*3 . Most Serious Problems in China's Internet :

■ Slow Access Speed	42.7%
■ High Price	19.0%
■ Insufficient Chinese Information	4.1%
■ Disordered/Untruthful/Unhealthy Contents	8.6%
■ Unable to Protect Personal Privacy	0.9%
■ Hard to Use (Require Many Computer Skills)	1.6%
■ Poor ISP Service Quality	1.2%
■ Disconnection during log on	3.3%
■ No Gain from Accessing the Internet	0.2%
■ No Problems at all	10.6%
■ Others	7.8%

4 . Main approaches for users to get to know the new websites (Multiple choice) :

■ Search engine	57.5%
■ Links on other websites	52.9%
■ Recommendation from friends, schoolfellows and colleagues	42.3%
■ Recommendation from Internet friends	22.5%
■ Books	14.7%
■ Paper and Magazines	36.2%
■ Broadcasting and TV programs	17.4%
■ Others	0.4%

5 . Users' Needs that Still Can Not Be Fulfilled (Multiple Choice) :

■ News	19.3%
■ Computer Hardware and Software	19.9%
■ Entertainment Information (Sports, Music, Art, etc.)	18.3%
■ Electronic Books	29.1%
■ Science and Education Information	21.1%
■ Financial, Estate information	11.7%
■ Job Listings	20.1%
■ Trade and Commerce Information	11.9%
■ Travel Information	15.0%

■ Advertisement	5.5%
■ Medical Care Information	16.5%
■ Matchmaking Services	5.3%
■ Laws, regulations and Policies	16.9%
■ Others	1.1%

6 . The Frequency of Accessing the Internet Advertisements:

■ Frequently	18.1%
■ Sometimes	51.8%
■ Rarely	27.6%
■ Never	2.5%

7 . The Frequency of Clicking the Internet Advertisements:

■ Frequently	12.2%
■ Sometimes	51.2%
■ Rarely	33.0%
■ Never	3.6%

8 . Which Banner Will Be Attractive (Multiple Choice) :

■ Commonweal Activity	51.2%
■ News	41.5%
■ Business Organization	11.3%
■ Commodity Information	33.1%
■ Encouraging Sales Promotion	67.9%
■ New Web Site Announcement	20.9%
■ Science Activity	24.1%
■ Entertainment Information	42.9%
■ Visualize Advertisement	22.6%
■ Others	0.5%

9 . The Most Attractive Type of Internet Advertisement:

■ Banner	31.2%
■ Button	7.9%
■ Animation	40.7%
■ Inter cut	9.8%
■ Literal	4.2%
■ E-mail	6.2%

10 . Do you Like to Receive Advertising Mails as References to Purchase Goods and Services :

■ Affirmative	36.0%
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- Negative 27.1%
- Unknown 36.9%

11 . From your opinion, which kind of advertising carrier is more effective (multiple choice) :

- Internet 43.2%
- Television 41.9%
- Broadcasting 0.7%
- Magazines 2.5%
- News paper 3.7%
- Outdoor Ads 4.8%
- Throwing away and Ads letters 3.2%

12 . The Frequency of Accessing the E-business Websites :

- Frequently 21.6%
- Sometimes 52.3%
- Rarely 23.3%
- Never 2.8%

13 . Have you ever purchased Commodities or services via Internet last year :

- Yes 31.9%
- No 68.1%

14 . Have you ever purchased commodities via auction websites last year :

- Yes 6.0%
- No 94.0%

15 . Have you ever successfully made second-hand dealing last year :

- Yes 8.7%
- No 91.3%

16 . The Purpose for Users to Purchase Online (multiple choice) :

- Saving Time 46.7%
- Reduce Costs 33.4%
- Easy to Operate 44.2%
- Looking for Rare Commodities 29.7%
- For Fun and Curiosity 32.6%

17 . Product (Service) that Users Had Purchased (multiple choice) :

- Books and Magazines 58.7%
- Computer Appliance 35.5%

■ Photographic Equipment	4.8%
■ Communication Appliance	18.0%
■ AV Equipment	29.5%
■ Living and Housing	11.8%
■ Clothing	5.9%
■ Family Electrical Appliance	7.4%
■ Sports Equipment	6.1%
■ Medical Care Services	3.8%
■ Present Delivery	13.8%
■ Financial and Insurance Services	3.3%
■ Ticket Ordering	8.3%
■ Educational Services	12.9%
■ Others	4.1%

18 . Product (Service) that Users Hope to Get from Internet (multiple choice) :

■ Books and Magazines	51.5%
■ Computer Appliance	46.4%
■ Photographic Equipment	10.7%
■ Communication	29.1%
■ AV Equipment	31.5%
■ Living and Housing	24.8%
■ Clothing	14.7%
■ Family Electrical Appliance	19.4%
■ Sports Equipment	15.7%
■ Medical Care Services	15.1%
■ Present Delivery	27.0%
■ Financial and Insurance Services	16.9%
■ Ticket Ordering	23.2%
■ Educational Services	33.6%
■ Others	1.1%

19 . Have you ever experienced that goods have not been delivered after your order and payment :

■ Yes	15.6%
■ No	84.4%

20 . The satisfaction degree of users when exchange through the Internet :

■ Quite satisfied	1.8%
■ Satisfied	27.8%
■ So so	50.6%
■ Unsatisfied	16.3%

- Quite unsatisfied 3.5%
- 21 . Payment Methods :
- Cash and Carry 37.7%
 - Credit Card (or savings card) 14.0%
 - Online payment 15.3%
 - Post Offices transfer 25.3%
 - Bank Transfer 4.1%
 - Bank Accounts 1.6%
 - EMS 2.0%
- 22 . Payment Method that Users Prefer When Pay for Over RMB1000 :
- Cash and Carry 57.8%
 - Credit Card (or savings card) 16.4%
 - Online payment 7.7%
 - Post Offices transfer 5.4%
 - Bank Transfer 4.8%
 - Bank Accounts 3.6%
 - EMS 4.3%
- 23 . Primary Obstacles of Online Purchase :
- Security can not be guaranteed 33.4%
 - Inconvenient Payment 11.5%
 - Quality of products, after service and credit of the producer can not be guaranteed 33.0%
 - Delivery is time wasting, the channel is not expedite 8.7%
 - Unattractive Price 6.6%
 - Unreliable Information 6.0%
 - Others 0.8%
- 24 . Deliver methods that being used :
- EMS 20.0%
 - Other express deliveries 7.6%
 - Postal parcel 31.6%
 - Air, train parcel 3.3%
 - Home delivery 36.9%
 - Others 0.6%
- 25 . When do users believe that the large scale E-commerce will be realized in China :
- Within half year 1.0%

■ Half year ~1year	4.5%
■ 1—2years	20.2%
■ 2—3years	26.5%
■ 3—5years	26.8%
■ Over 5 years	15.4%
■ Never think about it	5.6%

26 . Most Promising Online Business In the Future (multiple choice) :

■ Online shopping	60.5%
■ Online Stock Trading	50.9%
■ Online For-Profit Information Services	40.1%
■ Online Game and Entertainment Services	38.0%
■ Online Communication	52.4%
■ Virtual Community	25.4%
■ Online Program Ordering Services	37.0%
■ Online Education	54.7%
■ Online Hospital	28.9%
■ Others	2.5%

27 . Have your computer ever been invaded last year :

■ Yes	47.1%
■ No	43.0%
■ Unknown	9.9%

28 . Main methods adopted to ensure the security (Multiple choice) :

■ Pass word	36.9%
■ Anti-virus soft ware	74.5%
■ Fire wall	67.6%
■ Electricity signature	7.3%
■ no idea, it's system managers responsibility :	7.4%
■ Do not adopt any method	3.6%

29 . How often do users change the pass word of E-mail account :

■ 1month	8.8%
■ 3-6 months	21.4%
■ 6-12months	19.7%
■ Never	50.1%

(items with "" are results from sampling survey)*