

Internet Broadband Usage in Taiwan

A Summary Report of The January Survey of 2005



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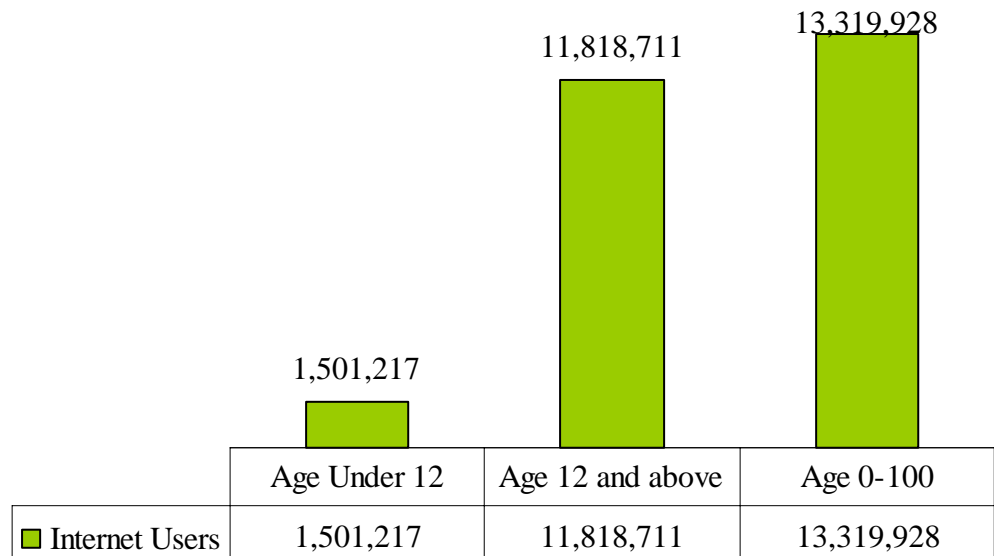
1. Survey Methodology

Survey Time	Dec. 1 ,2004 to Jan. 10, 2005
Sample Number	3,001 valid samples
Target	Residents in Taiwan age 12 and above who live with their families
Population	7,134,270 households in 23 Cities/Counties in Taiwan. *Demographic information based on 2004 Monthly Demographic Statistics Report, Ministry of Interior, Executive Yuan
Survey Method	Computer Assisted Telephone Interviewing Survey
Sampling Method	The survey uses stratified simple random sampling. Based upon the strata of the 23 cities/counties in Taiwan, the survey is done using proportional allocation with random sampling targeting at residents in Taiwan age 12 and above.
Estimation Method	<ul style="list-style-type: none"> ● Method for Estimating the Total Number of Internet users: Three variables, cities/areas, gender and age groups are used for weighting the random stratified samples of interviewees age 12 and above in Taiwan. (The sample is based upon a total of 19,177,033 residents. The demographic data is released by the Ministry of Interior in October 2004.) <p>Method for Estimating the Total Number of Internet Household: Two Variable cities/areas and the number of members in the household are used for weighting the random stratified samples.</p> <p>(Demographic Information: 7,134,270 households, according to the 2004 Monthly Demographic Statistics Report, Ministry of Interior)</p>

**2.
Estimated
Population and
Penetration
Rate of
Internet Users**

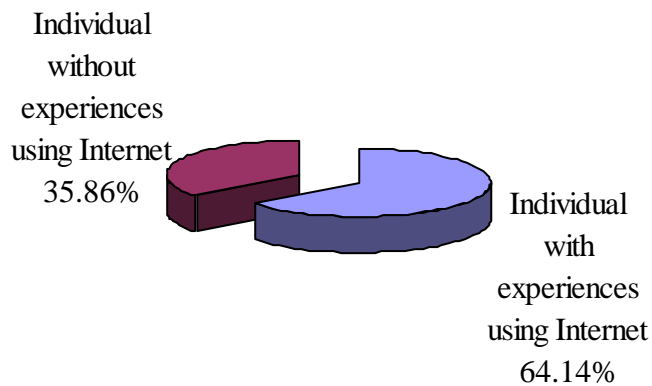
(1) 1.50 million residents in Taiwan age under 12 have experiences of using the Internet; while 11.82 million residents in Taiwan age 12 and above have experiences of using the Internet. The estimate is that 13.32 million residents of all ages have experiences using the Internet in Taiwan.

Estimated Population of Internet Users in Taiwan



(2) The percentage of Internet users age 12 and above in Taiwan are 64.14% (12.30 million).

Percentage of Internet Users age 12 and Above

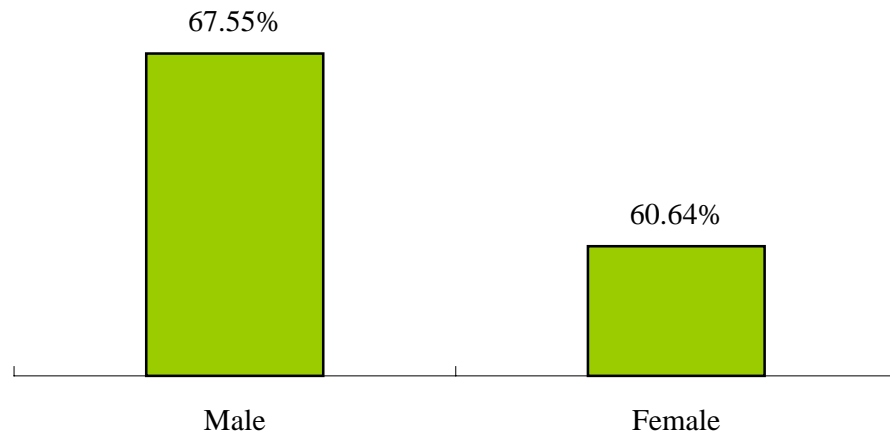


*Sampling Error: $\pm 1.79\%$ (Confidence level 95%)

2. Estimated Population and Penetration Rate of Internet Users

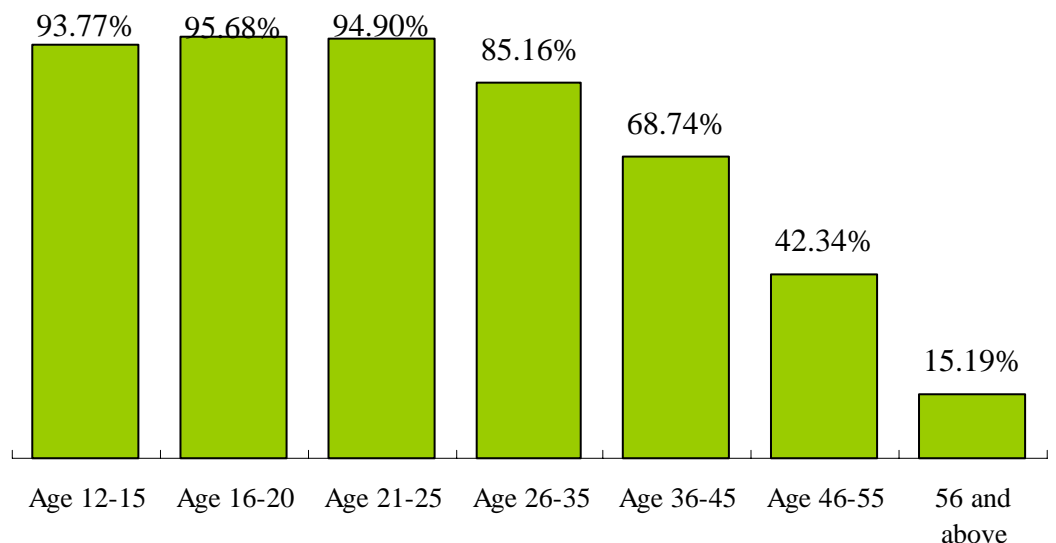
(3) Among the Age 12 and above internet users in Taiwan, there is a slight gender difference. The percentage of male Internet users is 67.55% (6.56 million), and the female is 60.64% (5.73 million); with the male slightly higher than that of the female.

Gender Difference in Internet Users



(4) The percentages for different age groups of Internet users in Taiwan are as follows: Age 16-20 and Age 21-25 have the highest percentages of Internet users, the percentages are 95.68% (1.56 million) and 94.90% (1.87 million) respectively; second to the two age groups, is the Age Group 12-15 with a percentage of 93.77% (1.20 million); second to the lowest group falls on Age 46-55 with a percentage of 42.34 % (1.33 million), and the lowest is the Group Age over 56 with the percentage of only 15.19%.

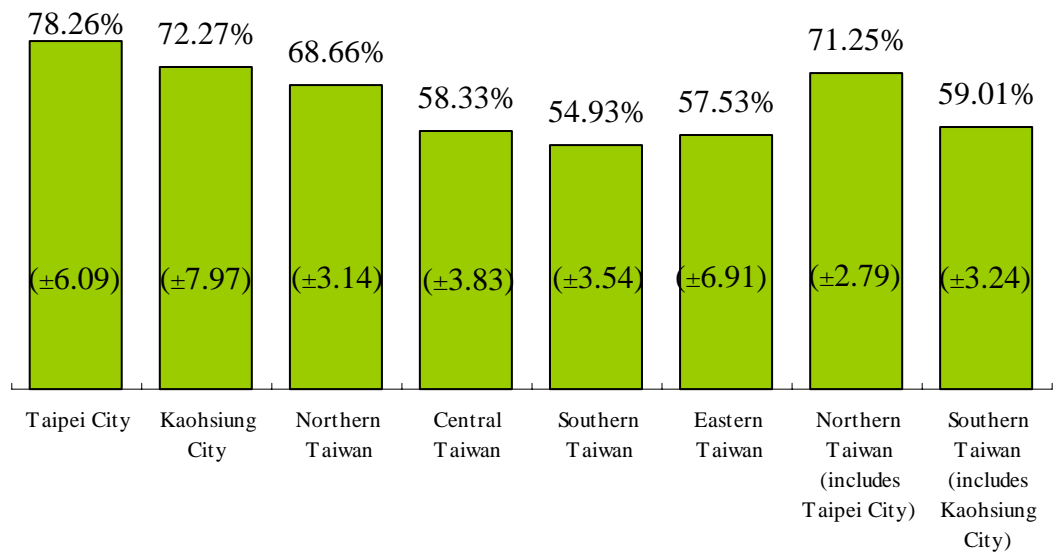
Percentages of Internet Users in Different Age Groups



2. Estimated Population and Penetration of Internet Users

(5) Region wise, the percentages of Internet users Age 12 and above are 78.26% (1.76 million) for Taipei City and 72.27% (0.93 million) for Kaohsiung City respectively. Following the two metropolitan areas are: Northern Taiwan 68.66% (4.19 million); Central Taiwan, 58.33% (2.79 million); Eastern Taiwan, 57.53% (2.31 million); and Southern Taiwan features the lowest percentage of Internet users with only 54.93% (0.28 million).

Percentages of Internet Users in Different Areas of Taiwan

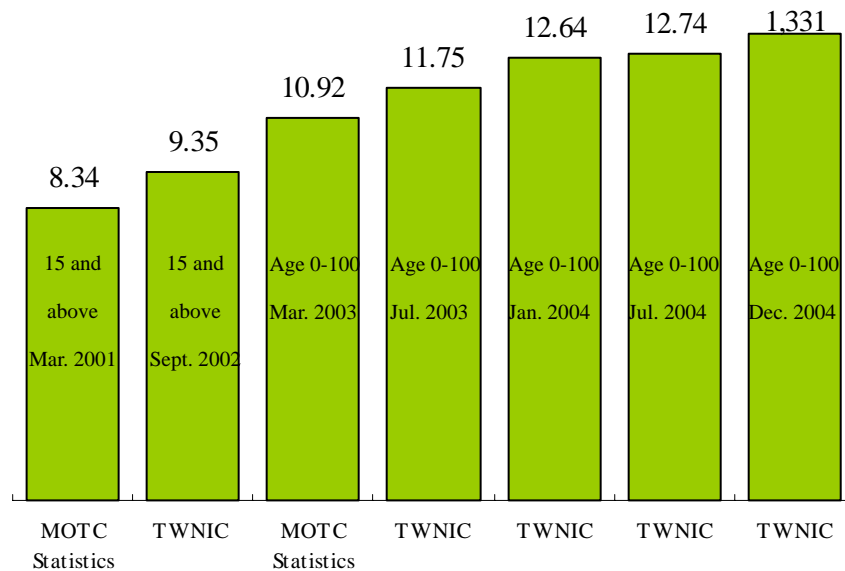


*Digit in the parenthesis is the Sampling Error: %

3. Internet Users in Taiwan 2001-2004

(1) From the chart below, we can see that there is a growing number of Internet users in Taiwan. By the end of Dec. 2004, 13.31 million of residents in Taiwan Age 0-100 have experiences of using the Internet.

Growth of Internet Users in Taiwan

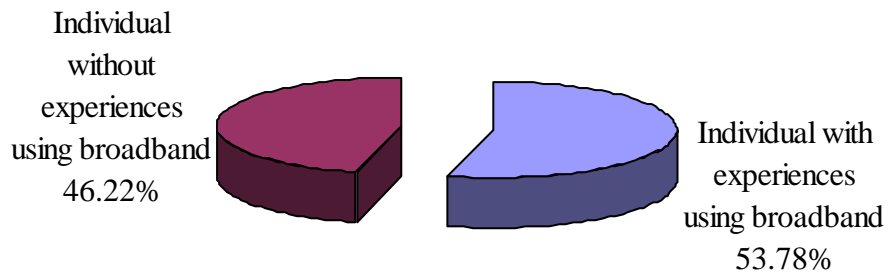


- ❖ Unit: Million
- ❖ Statistics from the March 2001 Ministry of Transportation & Communications (MOTC) is based upon a sample of residents in Taiwan Age 15 and above.
- ❖ TWNIC Data for Sept. 2002 is based upon the population of residents in Taiwan Age 15 and above
- ❖ Statistics from the March 2003 Ministry of Transportation & Communications (MOTC) is based upon a sample of residents in Taiwan Age 0-100
- ❖ TWNIC Data from July 2003 through July 2004 is based upon a population of residents in Taiwan Age 0-100.
- ❖ TWNIC Data from Jan. 2004 through July 2004 is based upon a population of residents in Taiwan Age 0-100.
- ❖ TWNIC Data from July 2004 through July 2004 is based upon a population of residents in Taiwan Age 0-100.
- ❖ TWNIC Data from Dec. 2004 through July 2004 is based upon a population of residents in Taiwan Age 0-100.
- ❖ Source: TWNIC Survey and The Statistics Department of the Ministry of Transportation & Communication

4. Estimated Population and Penetration Rate of Broadband Users

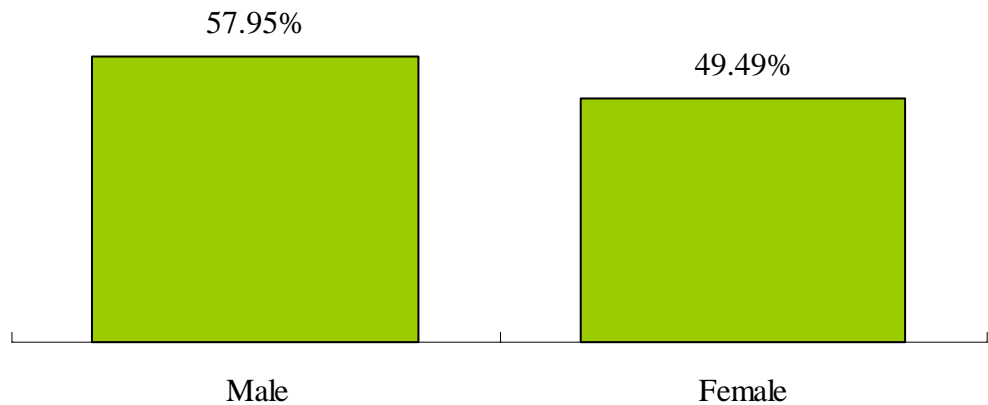
(1) 53.78% (10.31million) of residents in Taiwan Age 12 and above have experiences of using broadband.

Percentage of Broadband Users in Taiwan



(2) Among the broadband users in Taiwan age 12 and above, there is a slight gender difference. The percentage of male broadband users is 57.95% (5.62 million), and the female is 49.49% (4.68 million); with the male slightly higher than that of the female.

Gender Difference in Broadband Users

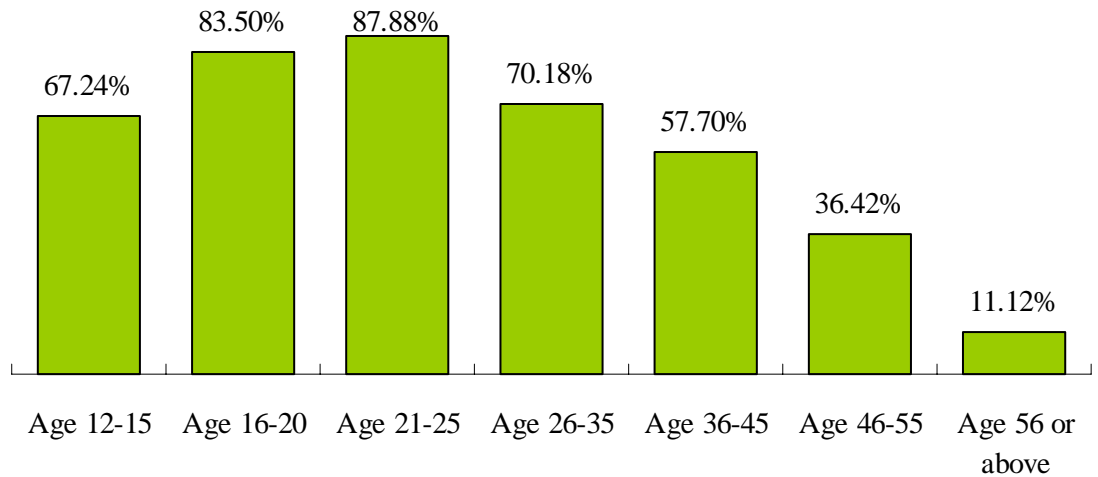


*Sampling Error: $\pm 1.79\%$ (Confidence level 95%)

4. Estimated Population and Penetration Rate of Broadband Users

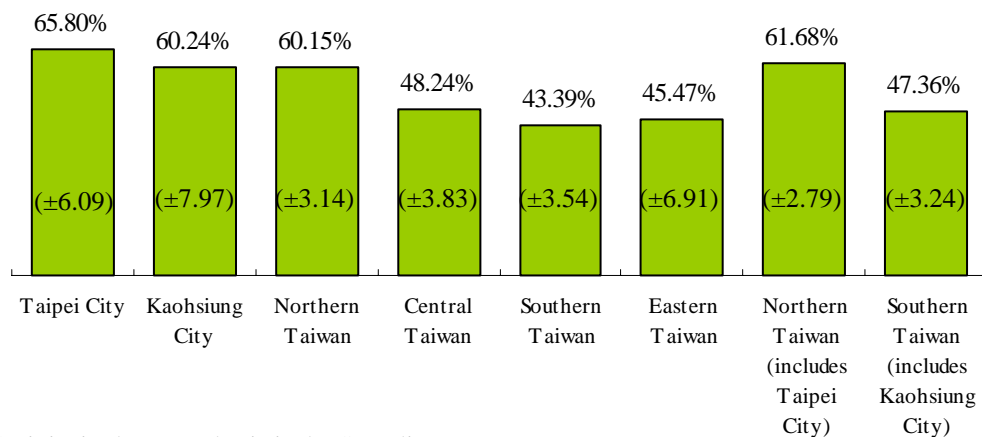
- (3) Age-wise, the percentages for different age groups of broadband users Age 12 and above in Taiwan are as follows: Age 21-25 with the percentage of 87.88% (1.73 million) marks the top; next comes Age 16-20 with a percentage of 83.50% (1.36 million); while the lowest falls on Age 56 and above group, and the percentage is 11.12.

Percentages of Broadband Users in Different Age Groups



- (4) Region-wise, the highest percentages of broadband users fall in metropolitans areas, Taipei and Kaohsiung; with 65.80% (1.48 million) for the former and 60.24% (0.78 million) for the latter. Following the two cities are: Northern Taiwan 60.15% (3.67 million); Central Taiwan, 48.24% (2.31 million); Eastern Taiwan, 45.47% (0.22 million); and Southern Taiwan features the lowest percentage of broadband users with only 43.39% (1.82 million).

Percentages of Internet Broadband Users in Different Areas

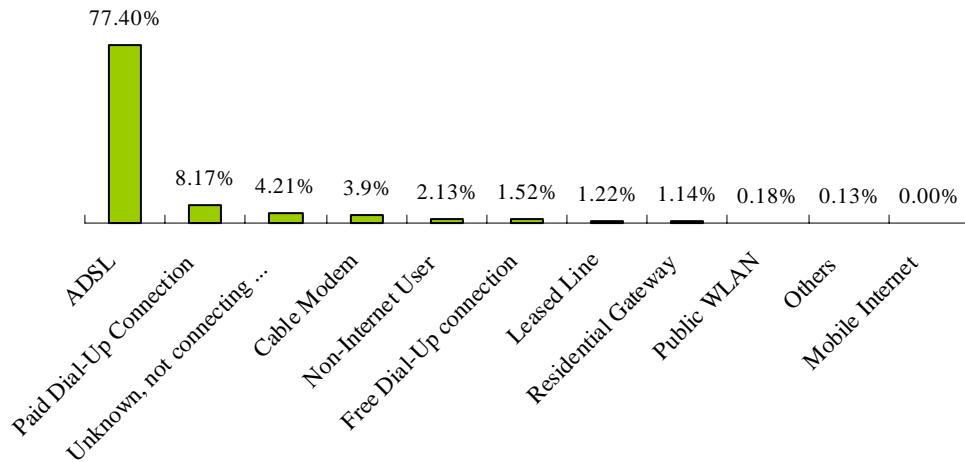


*Digits in the parenthesis is the Sampling Error: %

5. Analysis on the Behavior of Internet Users

(1) Among the interviewees who have had experiences using the Internet, 77.40% of them use ADSL, next comes PaidDial-Up Connection, and the percentage is 8.17%

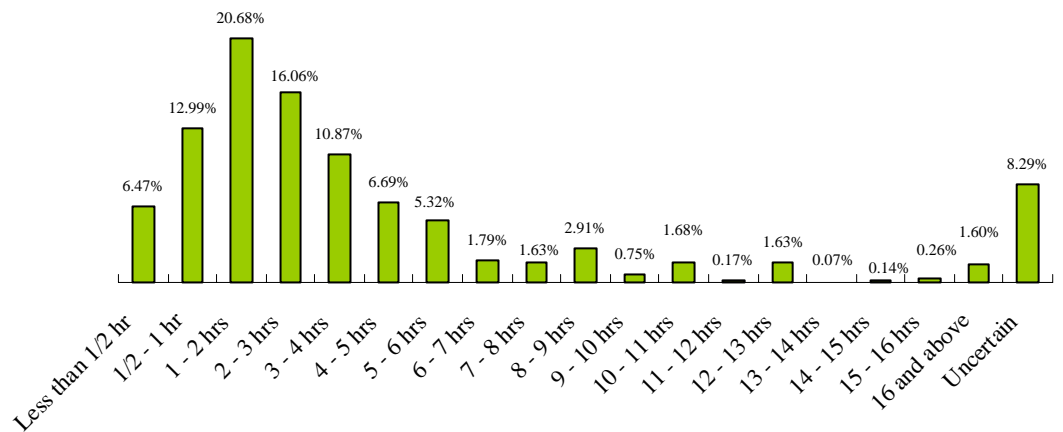
Percentages of Internet Accessing Methods



6. Analysis on the Behavior of Broadband Users

(1) Among the Broadband users, 20.68% of them spent more than one hour but less than two hours on line daily, and it is followed by more than two hour but less than three hours (16.06%), then more than half an hour but less than one hour (12.99%). On the average, 49.73% of broadband users spent more than half an hour but less than three hours online.

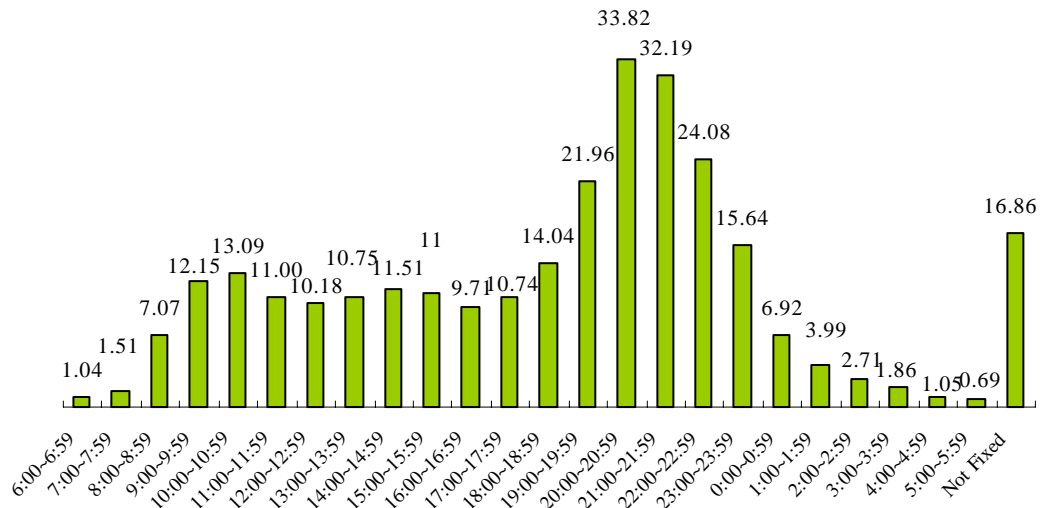
Amount of Time Broadband Users Spent Online



6.
**Analysis on
 the Behavior
 of Broadband
 Users**

(2) Among interviewees who use Broadband, 33.82% of them get online during the time slot of 20:00-20:59, next come 32.19% for the time slot of 21:00-21:59, and 24.08% for the time slot of 22:00-22:59.

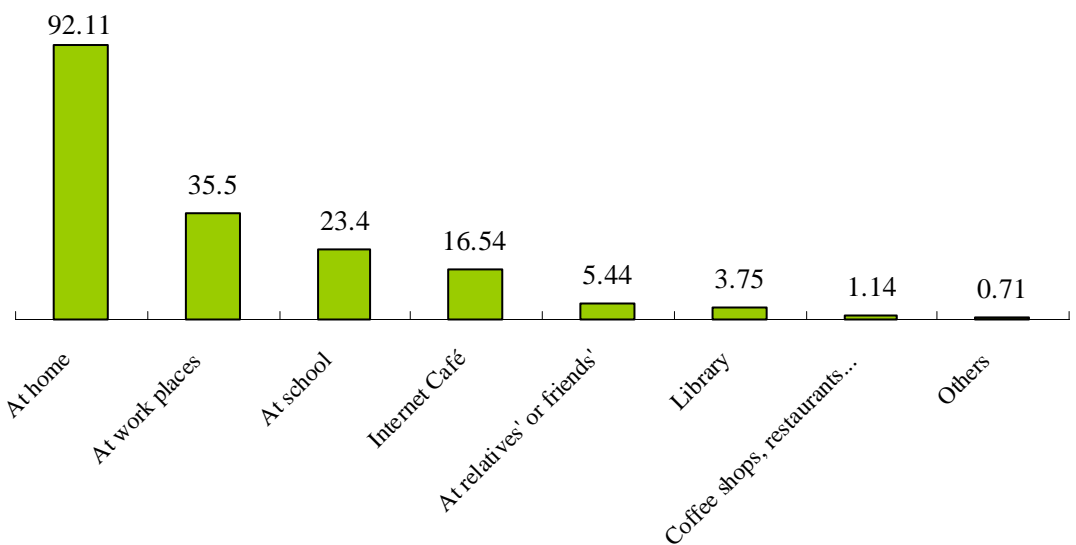
Favorite Time Slot for Using Broadband (Multiple Choices)



Unit: **Percentages of Responses**

(3) Among the Broadband users, 92.11% of them go online at home; it is followed by 35.50% at work places, 23.40% at school, and 16.54% at Internet café.

Places where Broadband Users Get Online (Multiple Choices)

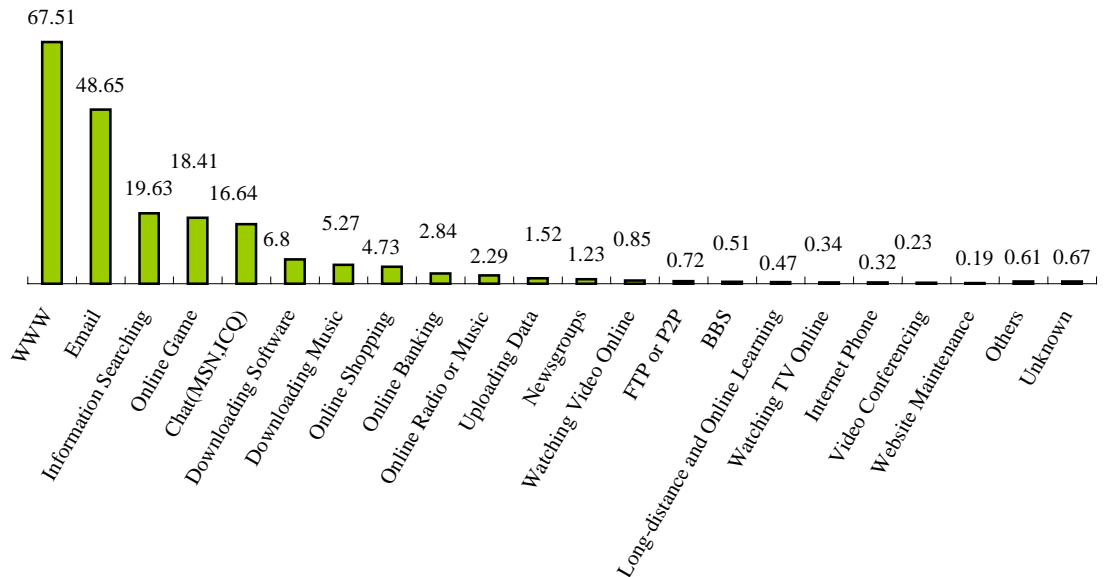


Unit: **Percentages of Responses**

6. Analysis on the Behavior of Broadband Users

(4) Among the interviewees who are Broadband users, 67.51% of them use it as a tool to browse web pages, 48.65% of them use it for E-mails, next follows 19.63%, users who use for Information Searching.

Purposes of Broadband Usage (Multiple Choices)

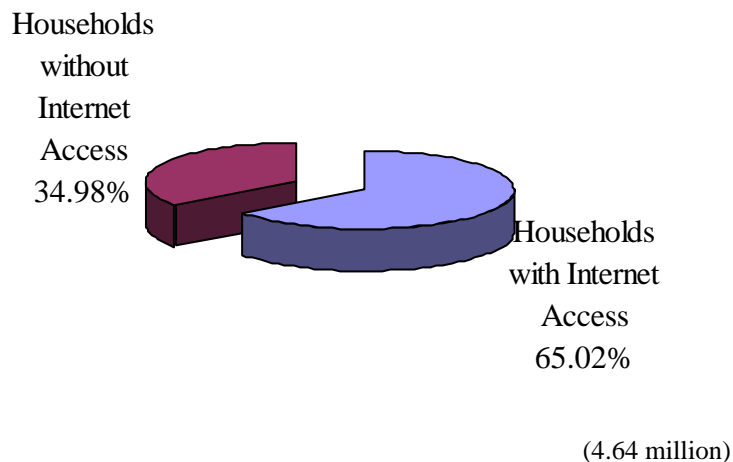


Unit: **Percentages of Responses**

7. Estimated Population and Penetration Rate of Internet Households

(1) 65.02% (4.60 Million) of the households in Taiwan have an access to the Internet.

Percentages of Households in Taiwan with Internet Access

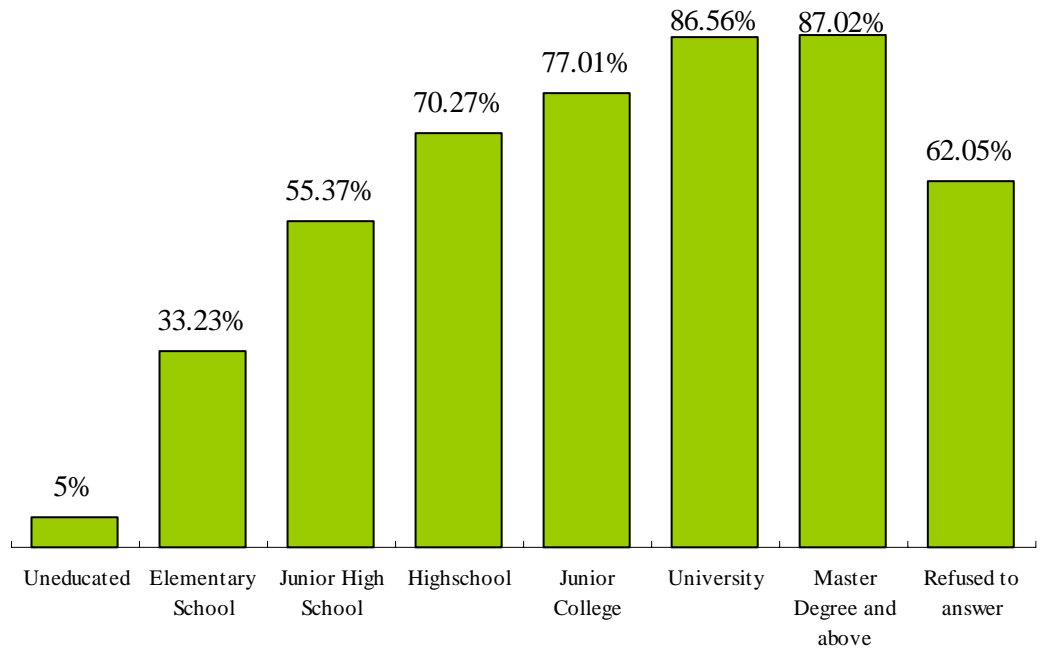


*Sampling Error: $\pm 1.79\%$ (Confidence level 95%)

**7.
Estimated
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Households**

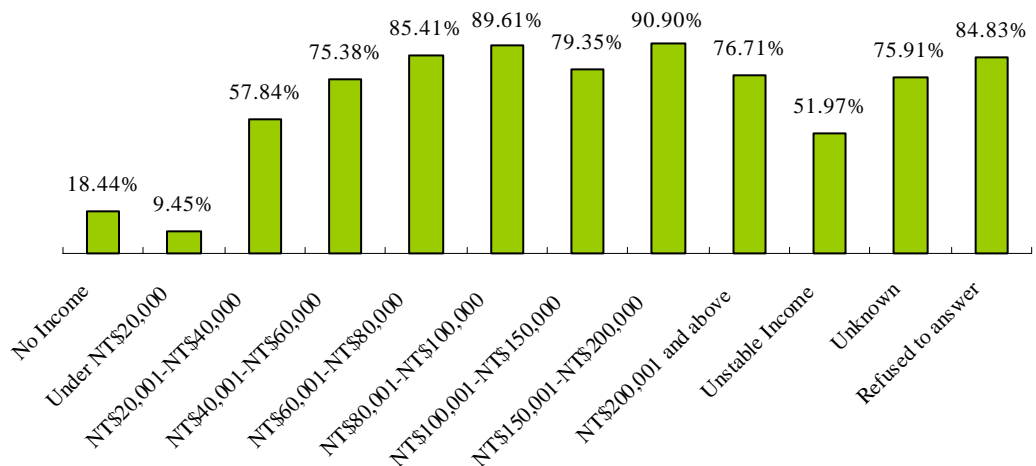
(2) According to the educational background of the economic head of the households, 87.02% of them have a master's degree and above, and it is followed by 86.56% with university degree, and 77.01% with junior college degree.

Educational Background of the Economic Head of Households with Internet Access



(3) 90.90% of the households in Taiwan with access to the Internet have an average income of 150,001–200,000, 89.61% have an average income of 80,001–100,000; and they are followed by 85.41% with an income of 60,001–80,000.

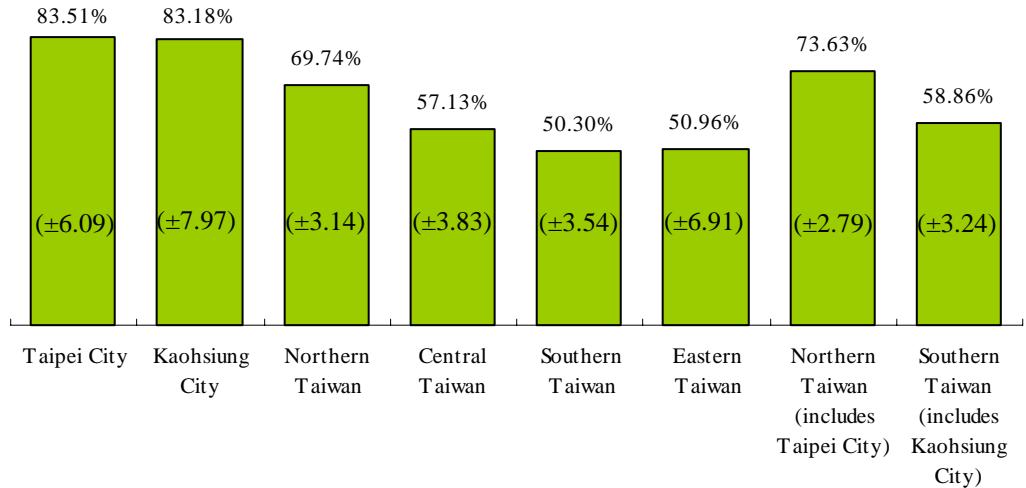
Percentages of Internet Households according to Monthly Income



7. Estimated Population and Penetration Rate of Internet Households

(4) In Taipei City, about 83.51% (0.77 million) households have access to the Internet, for Kaohsiung, it is 83.18% (0.44 million). Following the two metropolitan areas are: 69.74% (1.63 million) for Northern Taiwan, 57.13% (0.92 million) for Central Taiwan, and 50.96% (0.90 million) for Eastern Taiwan, and the lowest is Southern Taiwan with 50.30% (76 thousand).

Percentages of Households with Internet Access in Different Areas of Taiwan

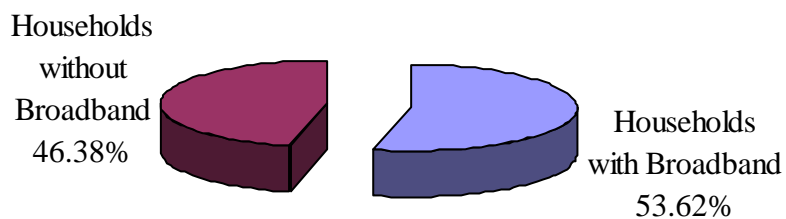


*Digit in the parenthesis is the Sampling Error: %

8. Estimated Population and Penetration of Broadband Households

(1) 53.62% (3.82million) households in Taiwan are broadband subscribers.

Percentages Broadband and Non-Broadband households



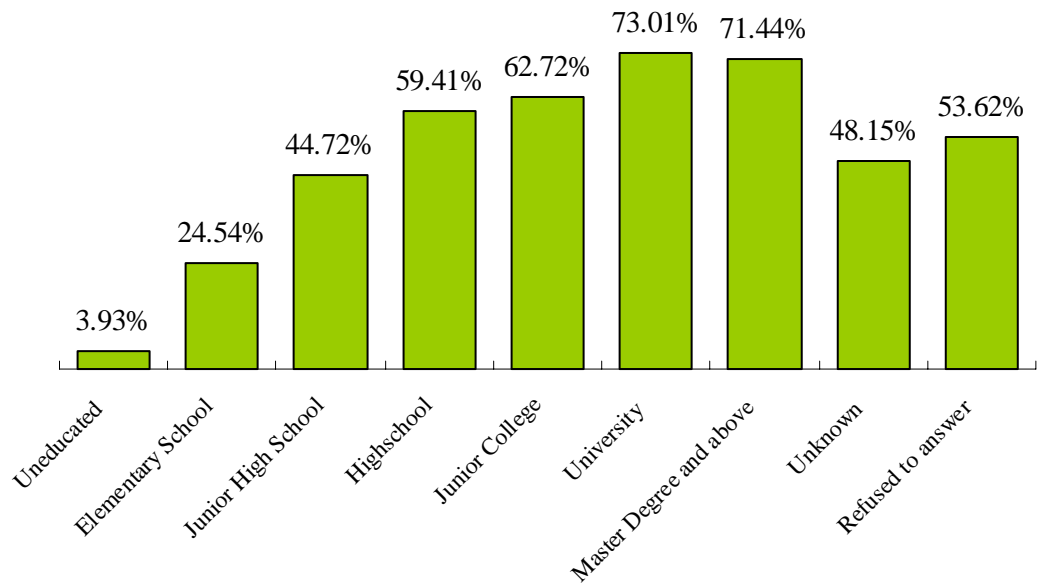
(3.82million)

*Sampling Error: ±1.79% (Confidence level 95%)

**8
Estimated
Population
and
Penetration of
Broadband
Households**

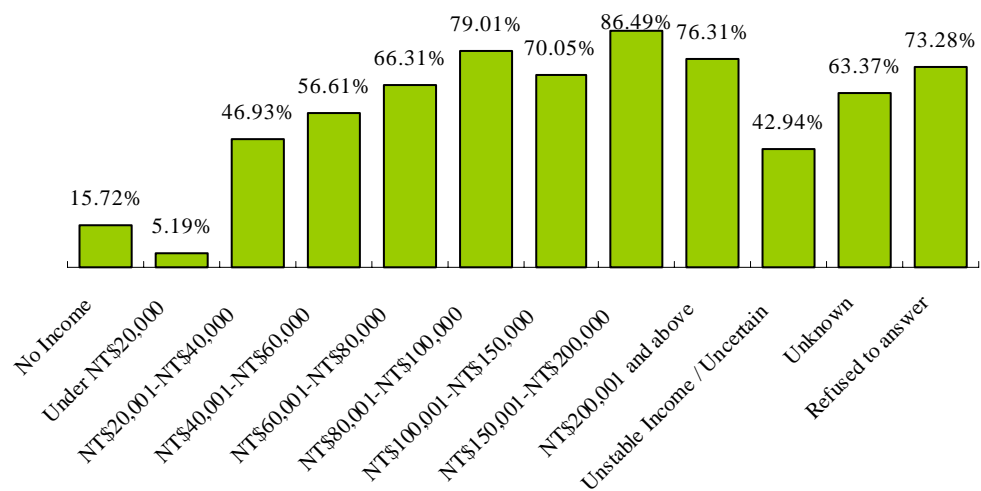
(2) According to the educational background of the economic head of the broadband households, 73.01% of them have a university degree, and it is followed by 71.44% with master's degree and above, and 62.72% with junior college degree.

The Educational Background of the Economic Head of Broadband Households



(3) From the average monthly income, households with an income of 150,001-200,000 has the highest percentage of broadband subscription rate, 86.49%, and next comes the income group of 80,001-100,000 per month, 79.01%

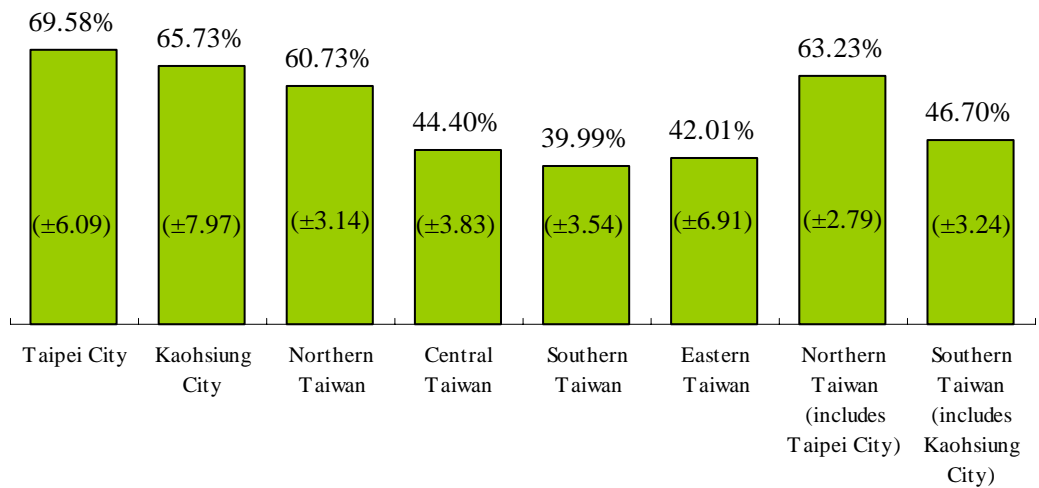
Average Household Monthly Income and Broadband Subscription



8 Estimated Population and Penetration of Broadband Households

- (4) The percentages of broadband households in different areas are: 69.58% (0.64 million) for Taipei City, and 65.73% (0.35 million) for Kaohsiung City, 60.73% (1.42 million) for Northern Taiwan, 44.40% (0.71 million) for Central Taiwan, 42.01% (0.07 million) for Eastern Taiwan and 39.99% for Southern Taiwan, which features the lowest rate (0.60 million).

Percentages of Broadband Household in Different Areas in Taiwan

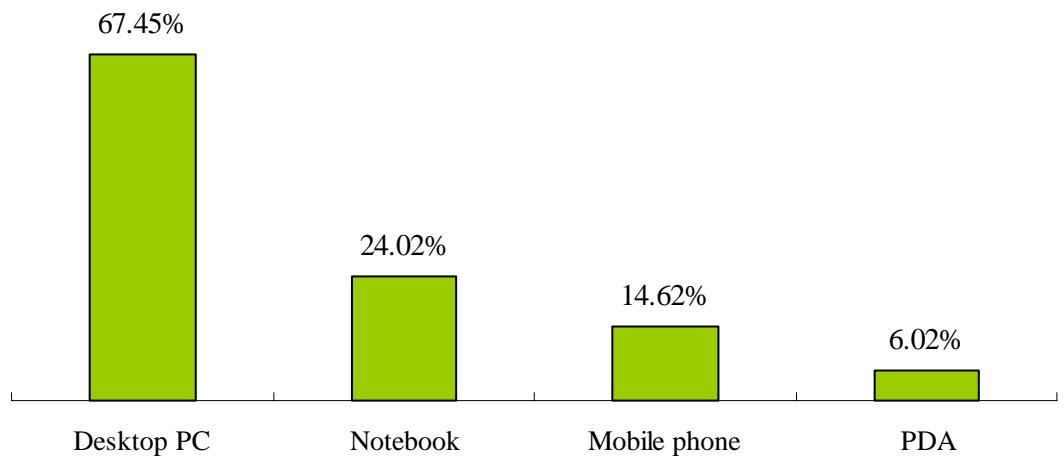


*Digits in the parenthesis is the Sampling Error: %

9. Analysis on Internet Connecting Facilities

- (1) 67.45% the households in Taiwan use desktop computers to get online, and it is followed by notebook computers, 24.02%, and mobile phone 14.62%, then PDA, 6.02%.

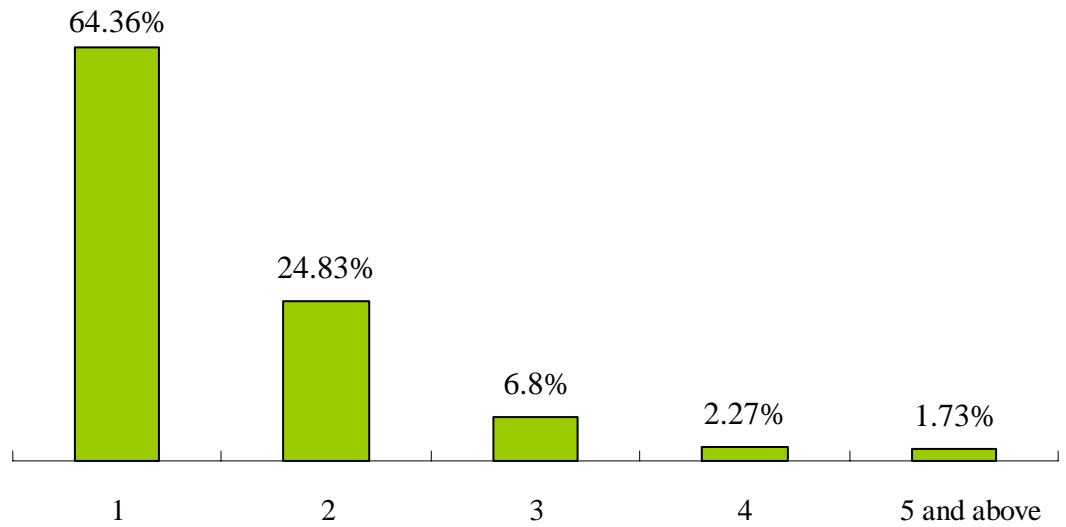
Facilities for Internet Households (Multiple Choices)



9.
Analysis on
Internet
Connecting
Facilities

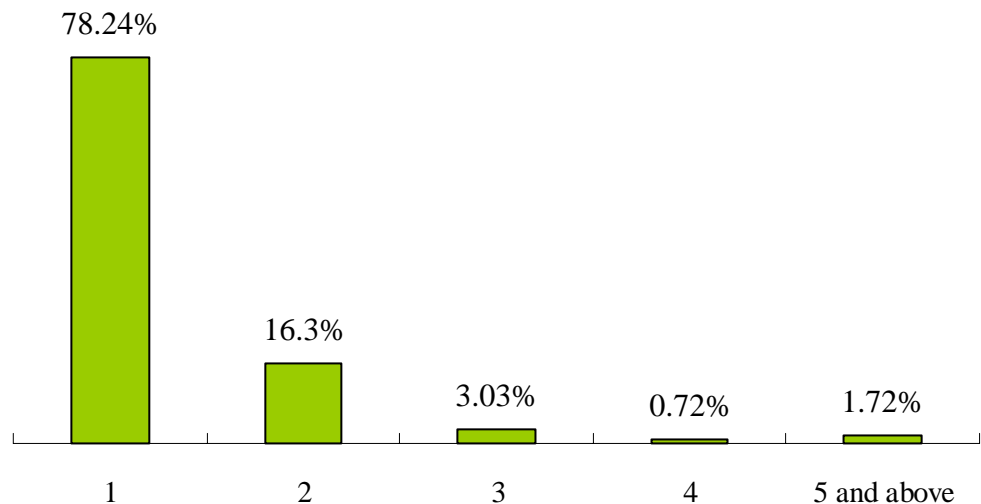
(2) Among the desktop households, 64.36% have one computer at home, 24.83% of them have two computers, and 10.8% have more than three computer

Percentage of Desktop Computers owned by Households



(3) Among Internet households using notebook computer to get online, 78.24% of them own one notebook computer; it is followed by 16.30% with two notebook computers, and 5.47% with more than three notebook computers.

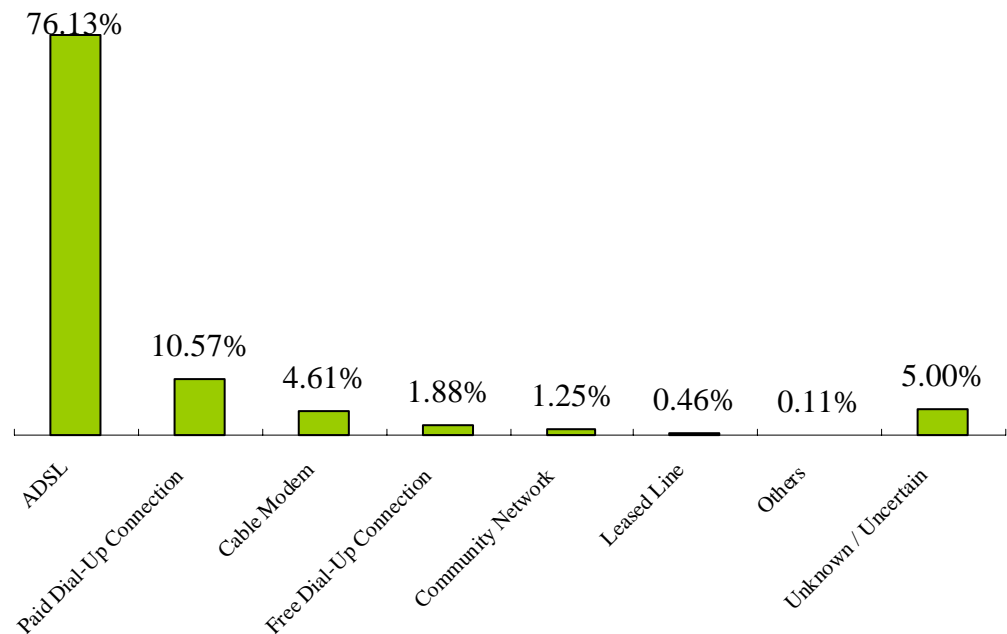
Percentage of Notebook Computers Owned by Households



9.1 Analysis on Internet Access Method

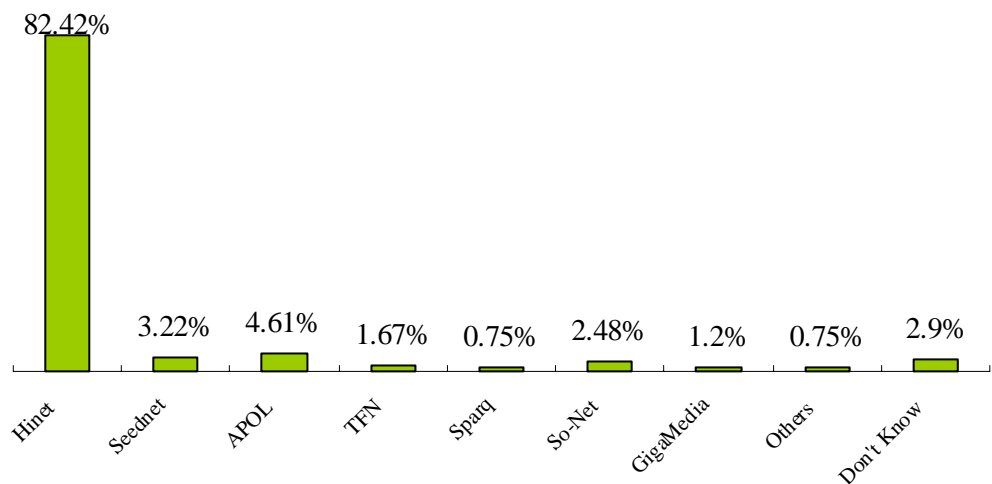
- (1) 76.13% of the Internet household connections are ADSL, it is followed by 10.57% for Paid Dial-Up Connection, and 4.61% by Cable Modem, then 1.88% by Free Dial-Up Connection. From the result of the survey, we know about 82.47% of the households in Taiwan use Broadband to get online (Broadband here includes ADSL, Cable Modem, Leased Line, LAN and Community Network).

Internet Access Method



- (2) Among the ADSL subscribers, 82.42% of them subscribe from Hinet, next comes 4.61% for APOL and 3.22% for Seednet.

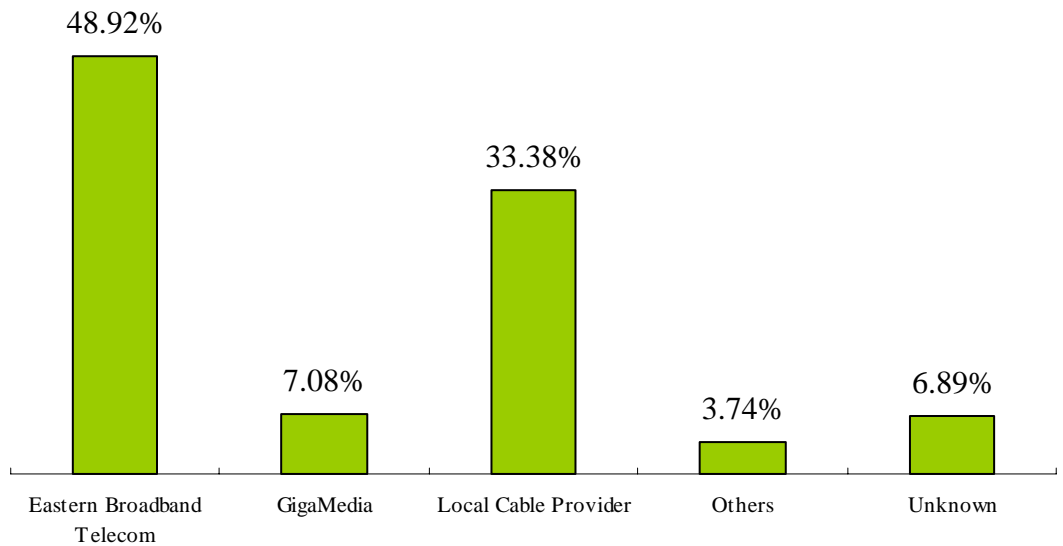
Popular ADSL Service Providers



**9.1
Analysis on
Internet
Access
Method**

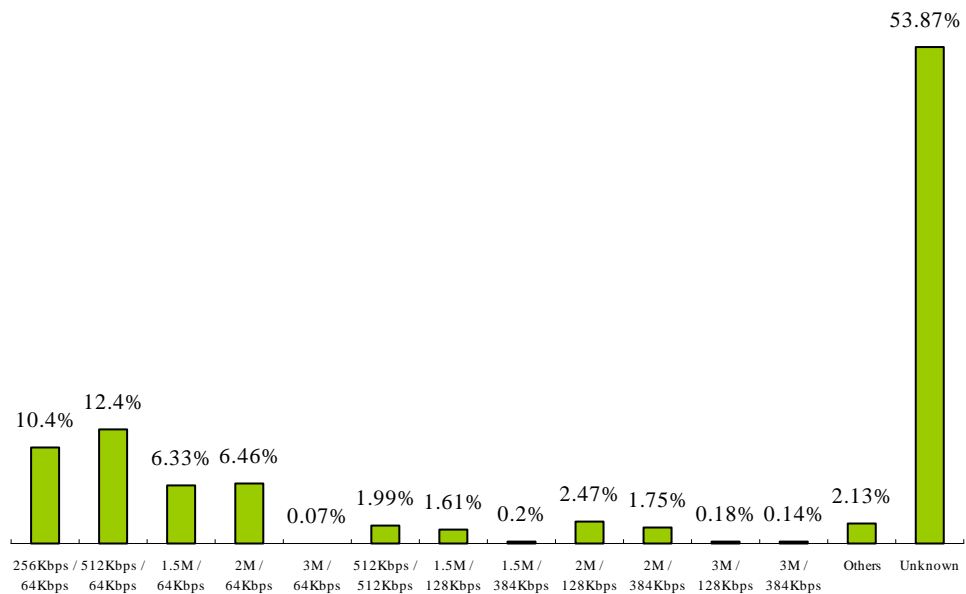
(3) Among the Cable Modem subscribers, most of the household, 48.92%, subscribes from Eastern Broadband Telecom.

Popular Cable Modem Service Supplier



(4) Among the ADSL subscribers, 12.4% of them use the download speed of 512K.

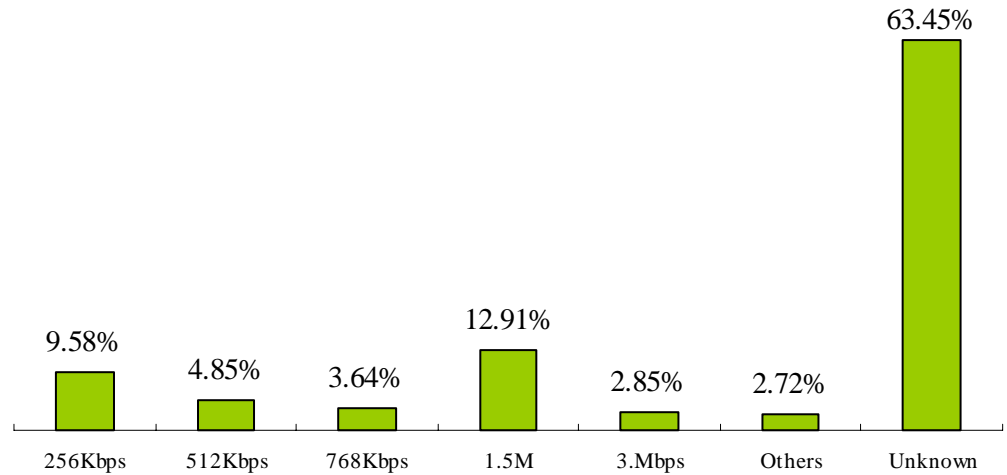
Download Speed of ADSL Subscribers



9.1
Analysis on
Internet Access
Method

(5) Among the Cable Modem users, 12.91% of them opt for the download speed of 1.5M.

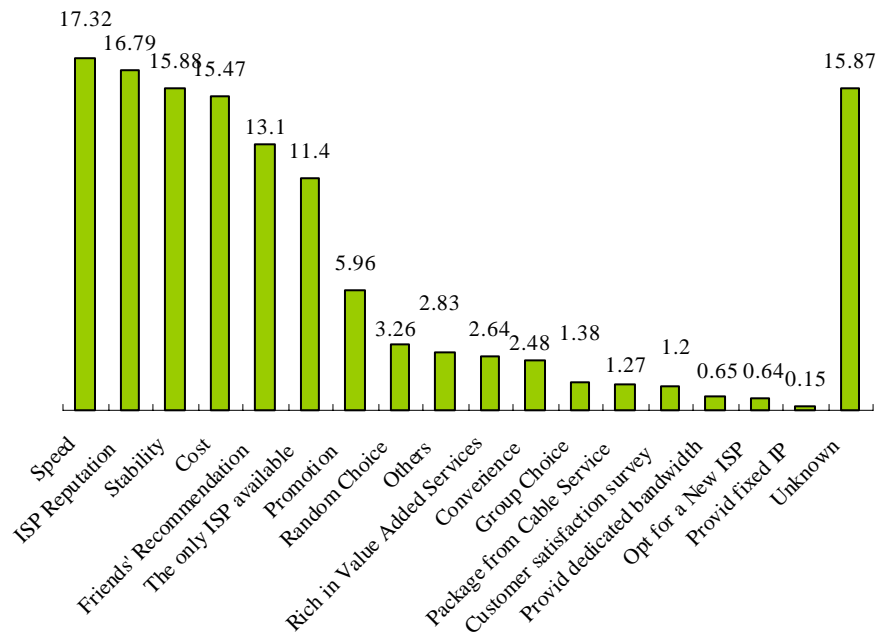
Download Speed of Cable Modem Subscribers



9.2
Analysis on the
Behavior of
Broadband
Households

(1) When asked the major factors in deciding which broadband suppliers to use, the subscribers are most concerned about speed, ISP reputation, stability, cost, friends' recommendation and the only ISP available.

Factors Considered in Choosing ISP (multiple choices)

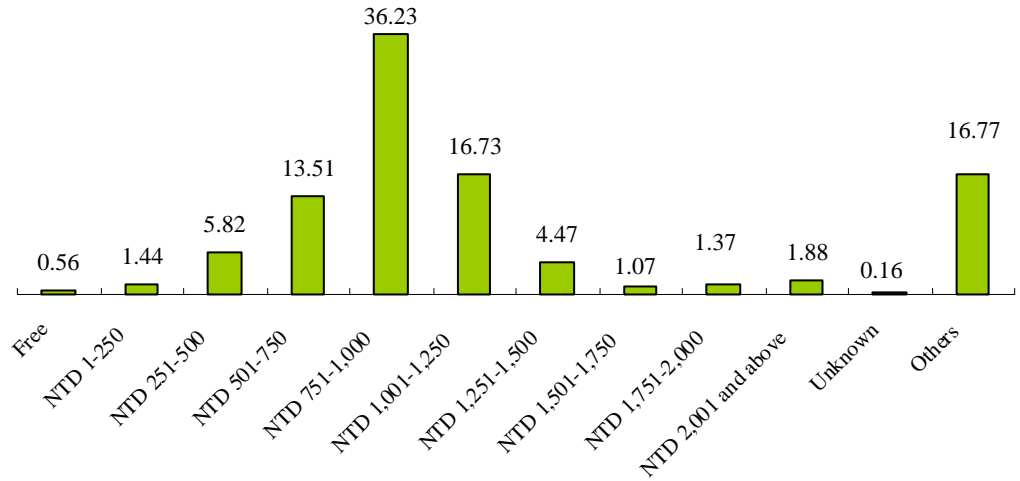


Unit: **Percentages of Responses**

**9.2
Analysis on
the Behavior
of Broadband
Households**

- (2) Among the households using broadband, the average expenditure from NTD750~1,000 ranks top, with 36.23%, next follows NTD1,001~1,250 with 16.73%.

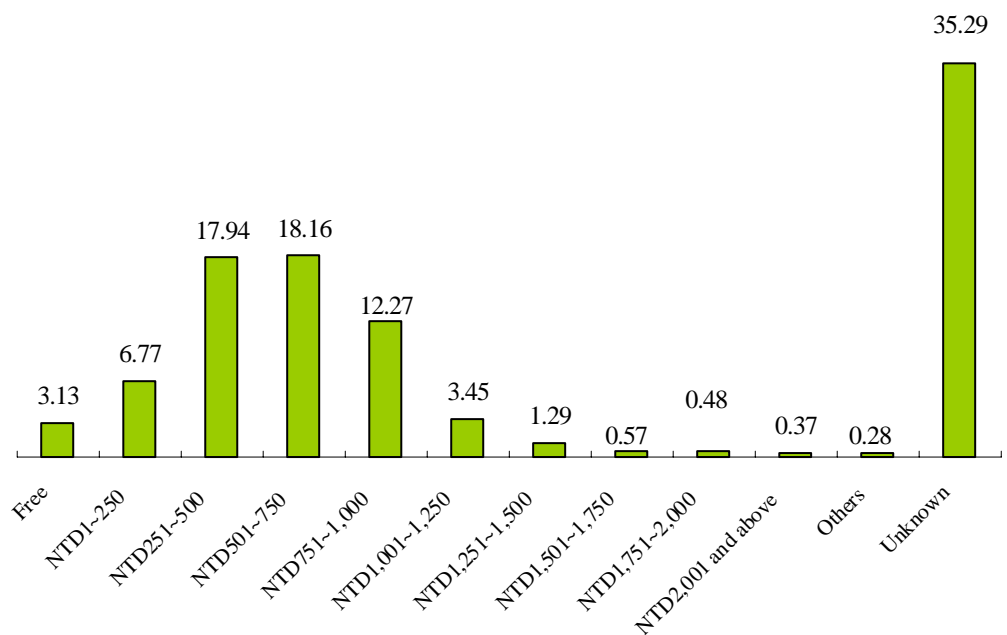
Average Monthly Expenditures on Broadband



Unit: Million

- (3) The majority of the broadband subscribers use the download speed of 2M/sec. Among domestic broadband subscribers, 18.16% of them think the reasonable expenditures on broadband should be within the range of NTD501~750, next follows 17.94% for the range of NTD251~500, then 12.27% for NTD751~1000.

Reasonable Range for Broadband Expenditures

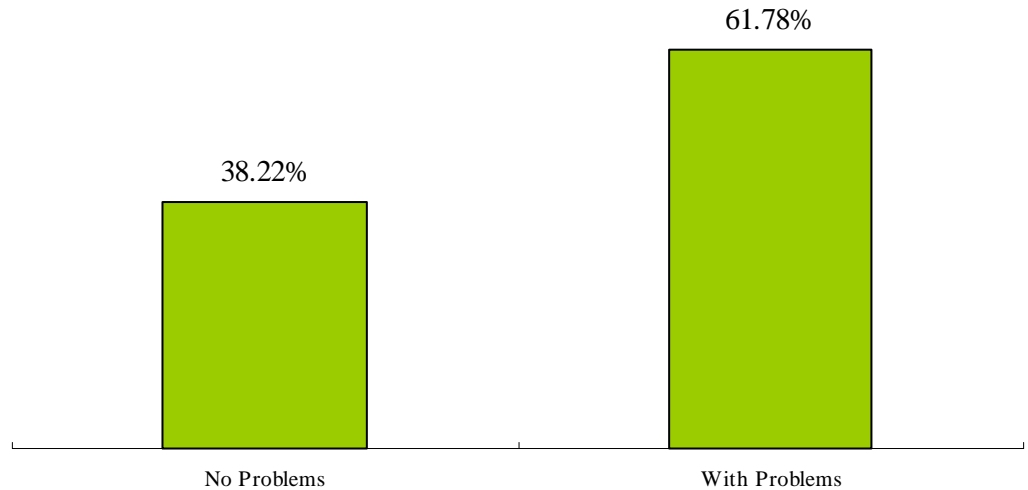


Unit: Million

**9.2
Analysis on
the Behavior
of Broadband
Households**

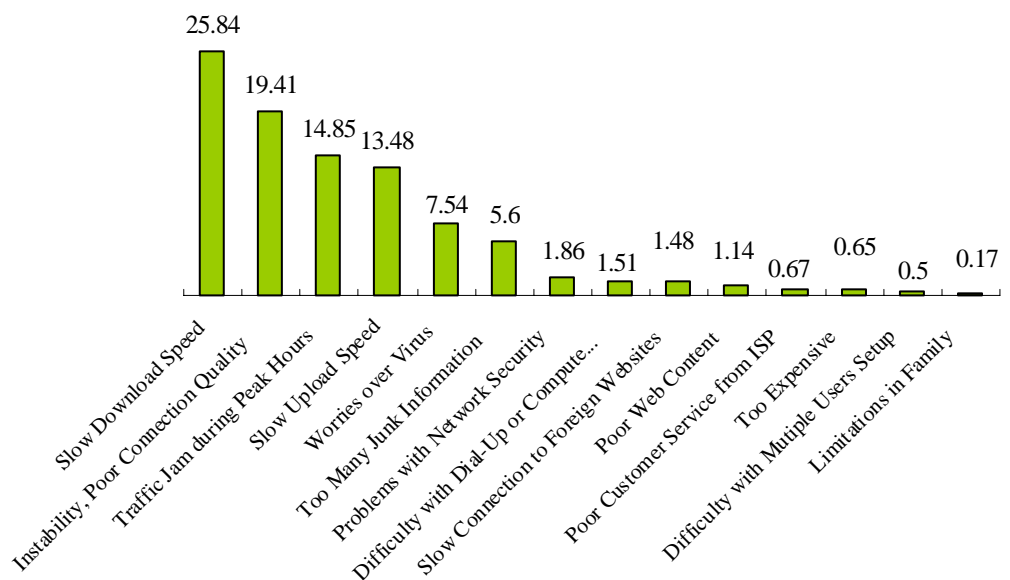
(4) 61.78% of the broadband subscribers agree that they experienced problems using the broadband, while 38.22% think they don't have any problems

Experiencing Problems with the Broadband



(5) Among the households who expressed there are problems using the broadband, 25.84% of them think the downloading speed is too slow, next follows 19.41% for instability and poor connection quality, and 14.85% for the slow upload speed.

Problems for Using Broadband (Multiple Choices)

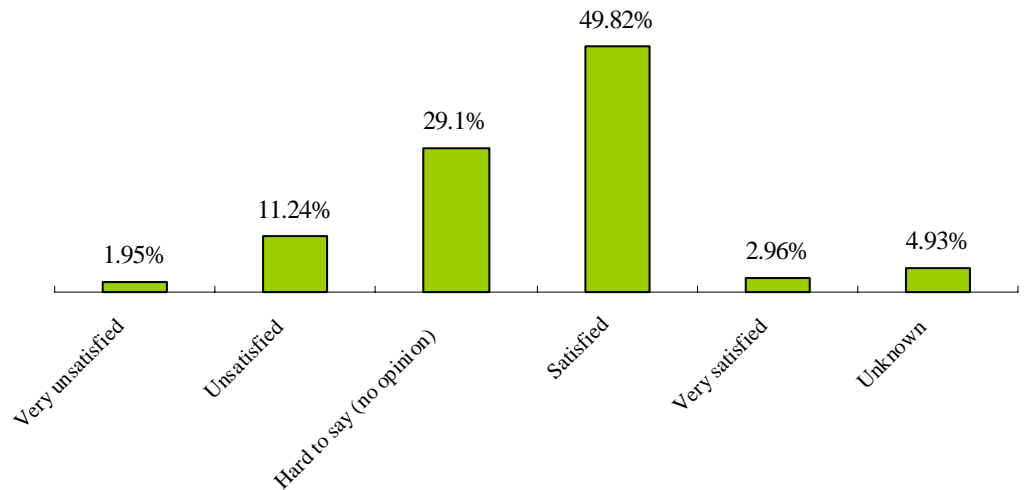


Unit: **Percentages of Responses**

9.2 Analysis on the Behavior of Broadband Households

(6) Among the broadband subscribers, 52.78% are satisfied with their ISP, but 13.19% subscribers respond with “hard to say”.

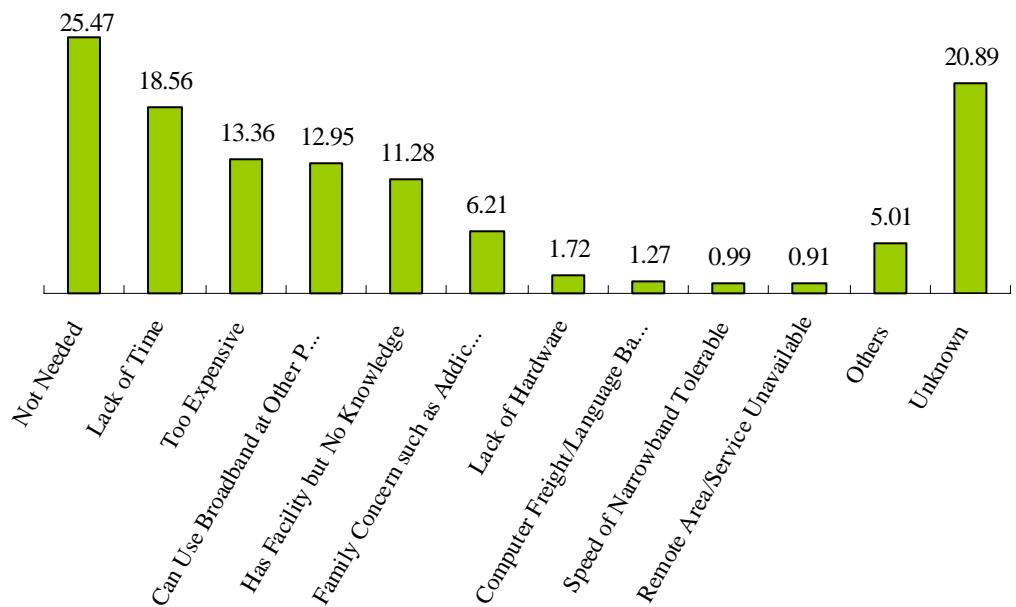
Satisfaction Rate with ISP



9.3 Analysis on the Behavior of Non-Broadband Households

(1) For households with Internet connection but not broadband, 25.47% respond that the main reason is “Not Necessary”, next follows, 18.56% for “Lack of Time” .

Reasons for Not Subscribing Broadband (Multiple Choices)

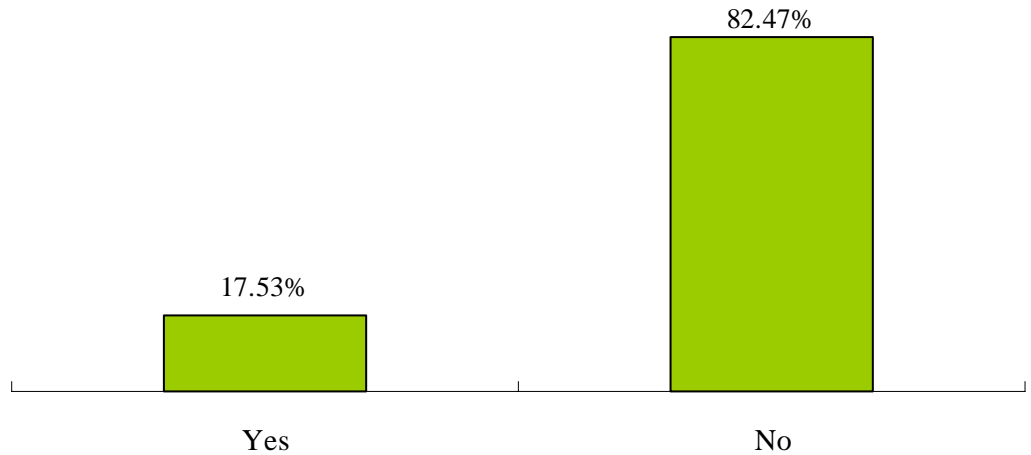


Unit: **Percentages of Responses**

**9.3
Analysis on the
Behavior of
Non-
Broadband
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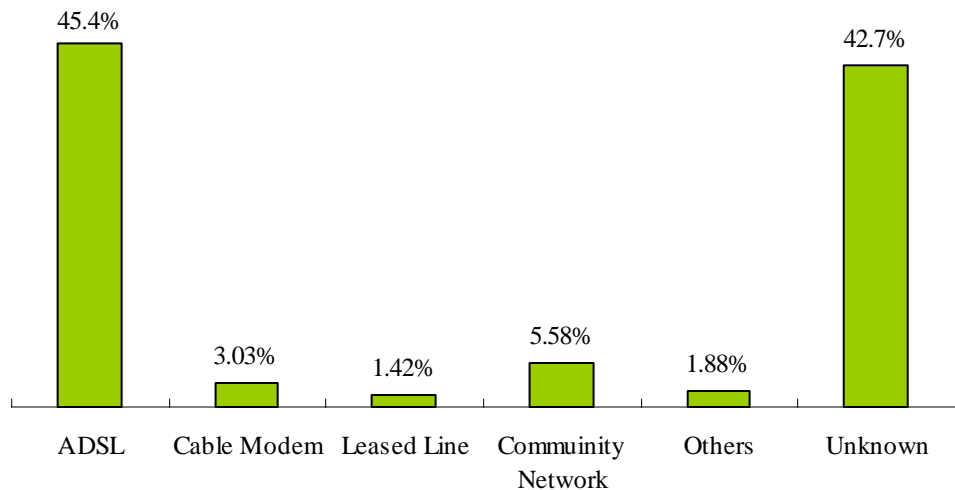
(2) For households with internet connection but not broadband, 82.47% respond that they “Plan to subscribe broadband in the coming six months”, while 17.53% respond that they “Have no plan to subscribe broadband in the coming six months.”

Plans to Subscribe Broadband in the Coming Six Months



(3) 45.40% households with plans to subscribe broadband in the coming six months opt for ADSL, only 5.58% of them opt for Community Network.

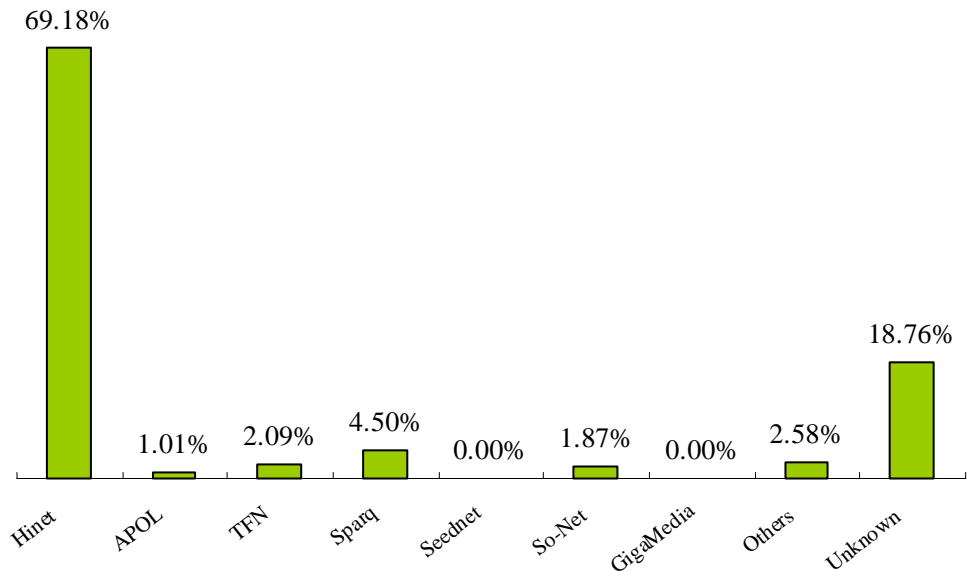
Preferred Types for Broadband Subscription



**9.3
Analysis on the
Behavior of
Non-
Broadband
Households**

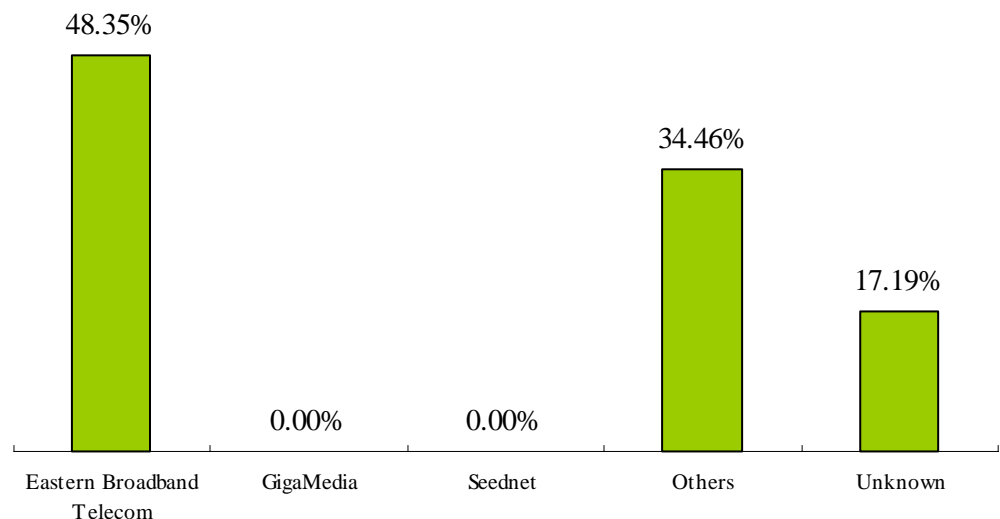
(4) 69.18% of the households which plan to subscribe ADSL in the coming six months will subscribe from Hinet (Chung Hua Telecom), while about 18.76% of them have not settled on a certain provider.

Preferences of ISPs for Households Planning to Subscribe ADSL



(5) 48.35% of the households which plans to subscribe broadband via Cable Modem opt for Eastern Broadband Telecom, while 34.46% of the households opt for other ISPs.

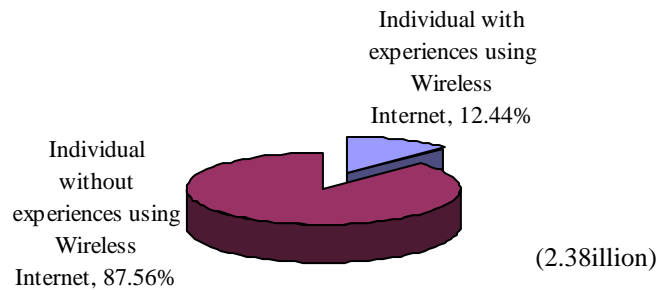
Preferences of ISPs for Households Planning to Subscribe Broadband via Cable Modem



10. Estimated Population and Penetration Rate of Wireless Internet Users

- (1) 12.44% (2.38 million) of the residents Age 12 and above in Taiwan have experiences of using Wireless Internet.

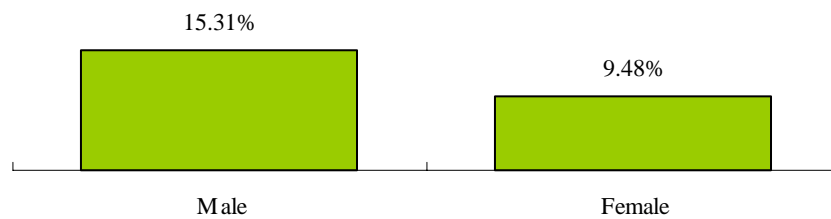
Estimated Penetration Rate of Residents using Wireless Internet



*Sampling Error: ±1.73% (Confidence level 95%)

- (2) Gender-wise, there is a higher percentage of male than female using wireless internet. 15.31% (1.48 million) males have used Wireless Internet, while for female is 9.48% (0.89 million)

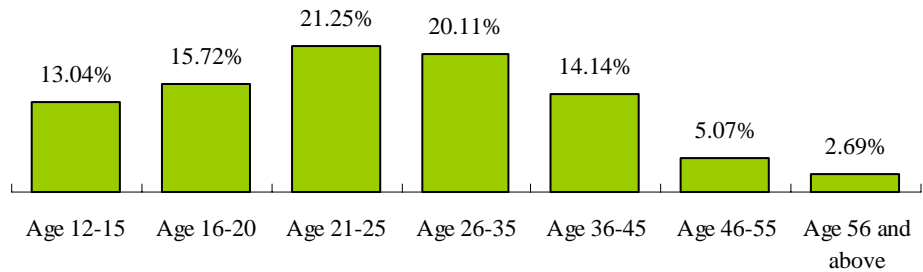
Gender Difference in Wireless Internet Users



**10.
Estimated
Population and
Penetration
Rate of
Wireless
Internet Users**

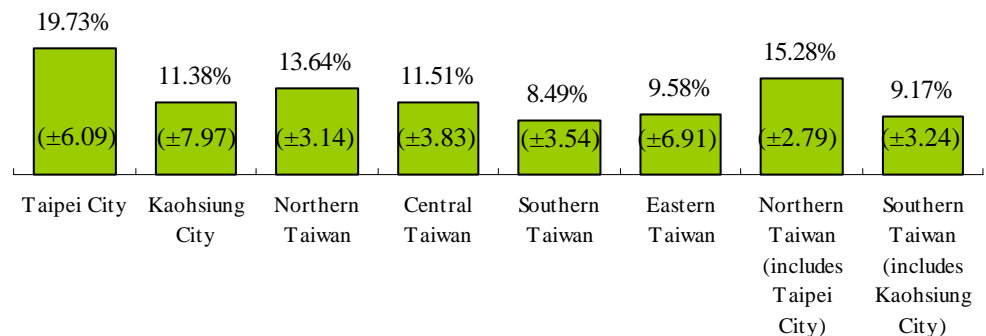
(3) In terms of age groups, the age group of 21-25 ranks top, with 21.25% (0.41 million) of the interviewees have experiences using Wireless Internet; and it is followed by the age group 26-35 with 20.11% (0.74 million) and age group 16-20 with 15.72% (0.35 million), while the lowest falls on the age group of over 56 with only 2.69% (90 thousand).

Percentages of Wireless Internet Users in Different Age Groups



(4) Region-wise, the percentages of the metropolitan areas of Taipei City and Kaohsiung City are 19.73% and 11.38% respectively. In Northern Taiwan, the percentage is 13.64%, and it is followed by Central Taiwan with 11.51%, Eastern Taiwan with 9.58% and Southern Taiwan with 8.49%.

Percentages of Wireless Internet Users in Different Areas of Taiwan

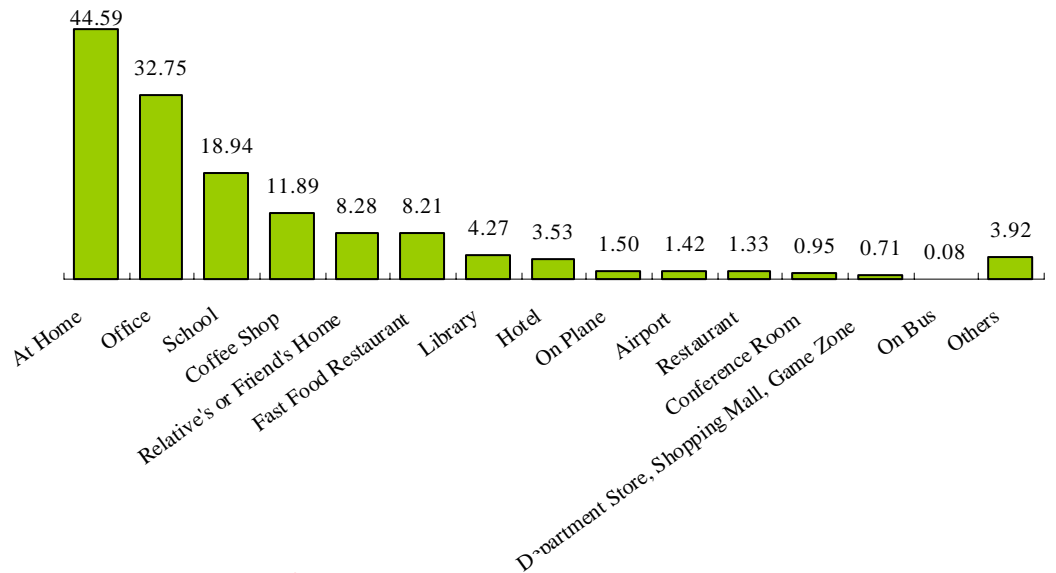


*Digits in the parenthesis is the sampling error: %

11. Analysis on The Behavior of Wireless Internet Users

(1) Among the Wireless Internet users, 44.59% of them use Wireless Internet from home, 32.75% from office, while 18.94% from school.

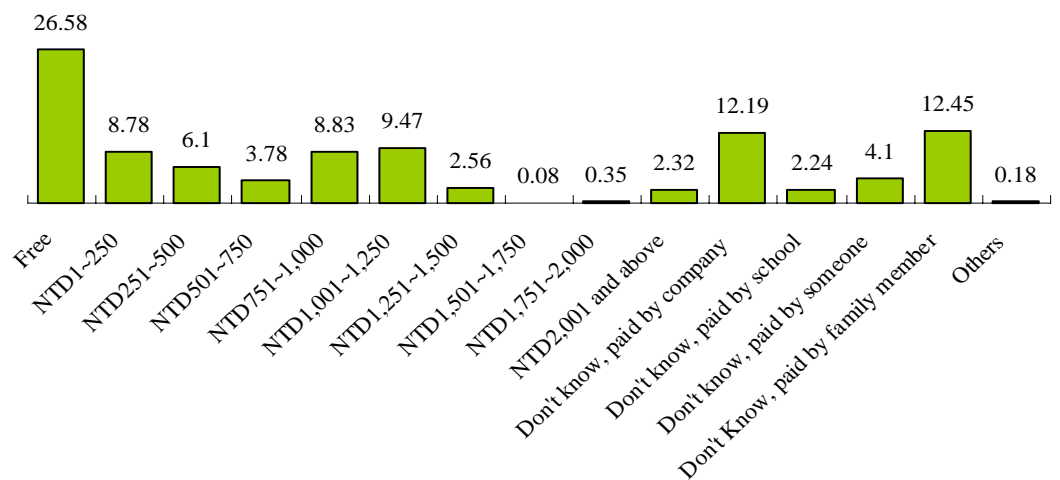
Locations for Using Wireless Internet (Multiple Choices)



Unit: **Percentages of Responses**

(2) Among the Wireless Internet users, 26.58% use it for free, it is followed by 12.45% who “paid by family member” and 12.19% who “does not know which company pays the bill.” The lowest percentage of expenditures for Wireless Internet falls on NTD1,501-1,750, with only 0.08%.

Expenditures of Wireless Internet Users

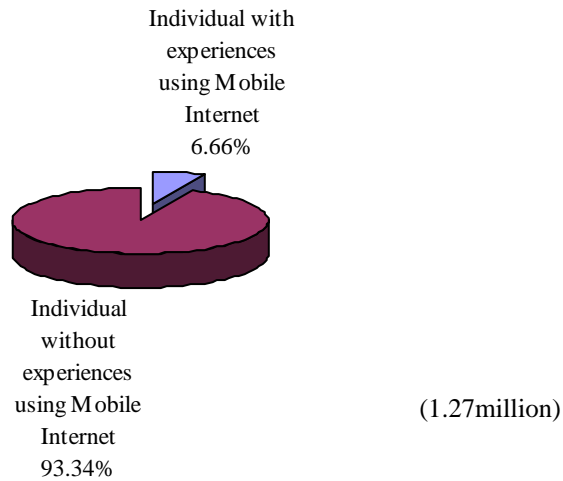


Unit: Million

12. Estimated Population and Penetration Rate of Mobile Internet Users

(1) 6.66% (1.27 million) of the residents in Taiwan Age 12 and above have experiences using Mobile Internet Service.

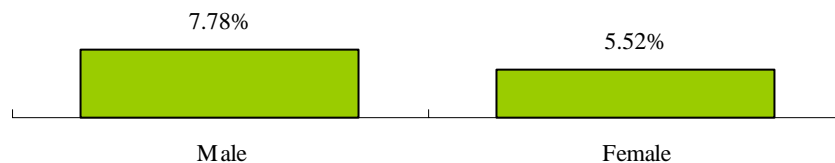
Percentage of Mobile Internet Users in Taiwan



*Sampling Error: ±1.73% (Confidence level 95%)

(2) Among the residents in Taiwan Age 12 and above, male Mobile Internet users are slightly higher than that of female, 7.78% (0.75million) vs 5.52% (0.52million).

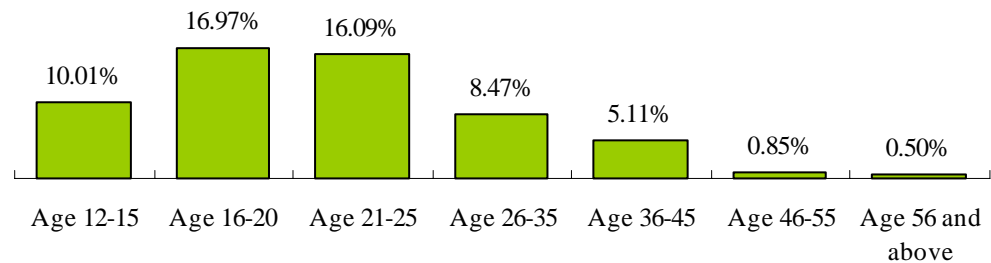
Gender Difference in Mobile Internet Users



**12.
Estimated
Population and
Penetration
Rate of Mobile
Internet Users**

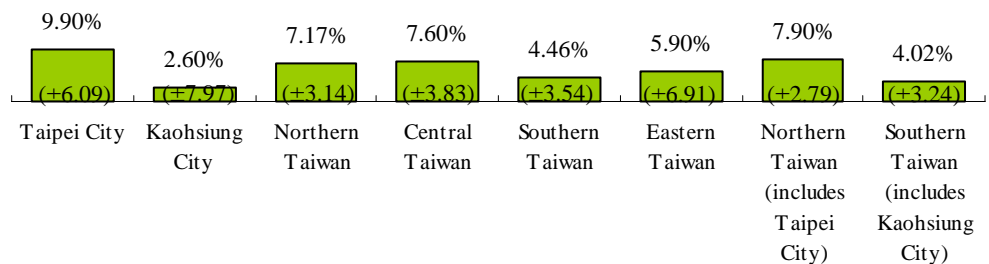
- (3) The age group of 16-20 has the highest percentage of Mobile Internet users, with 16.97%; it is followed by the age group 21-25 with 16.09% and age group 12-15 with 10.01%; the lowest percentage falls on the overage 56 and above group, with less than 0.50%.

Percentages of Mobile Internet Users for Different Age Groups



- (4) Among residents Age 12 and above in Taiwan who have experiences using Mobile Internet service, the percentages of the metropolitan areas of Taipei City and Kaohsiung City are 9.90% and 2.60% respectively. In Northern Taiwan, the percentage is 7.17%, and it is followed by Central Taiwan with 7.60% (0.32 million), Eastern Taiwan 5.90% (0.22 million) and Southern Taiwan with 4.46% (0.18 million).

Percentages of Internet Users with Mobile Access in Different Areas of Taiwan

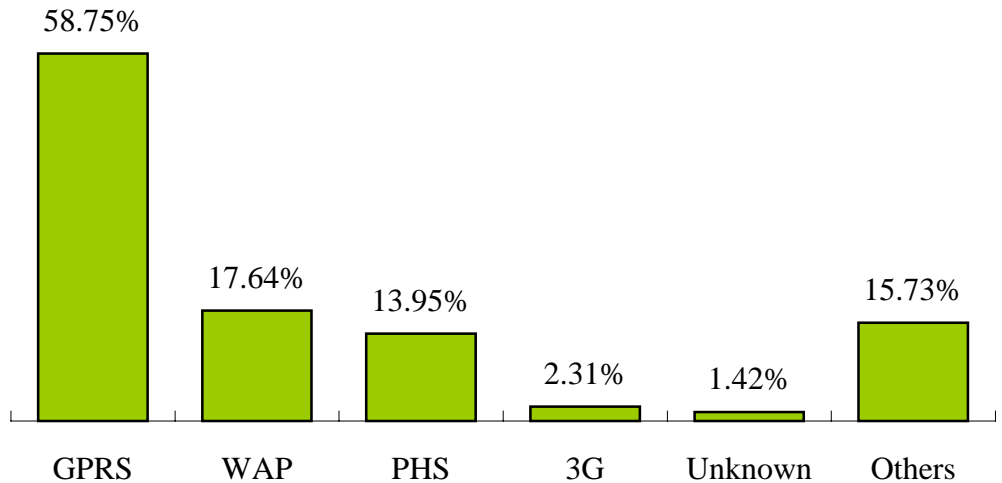


*Digits in the parenthesis is the sampling error: %

**13.
Analysis on
Behavior of
Mobile
Internet Users**

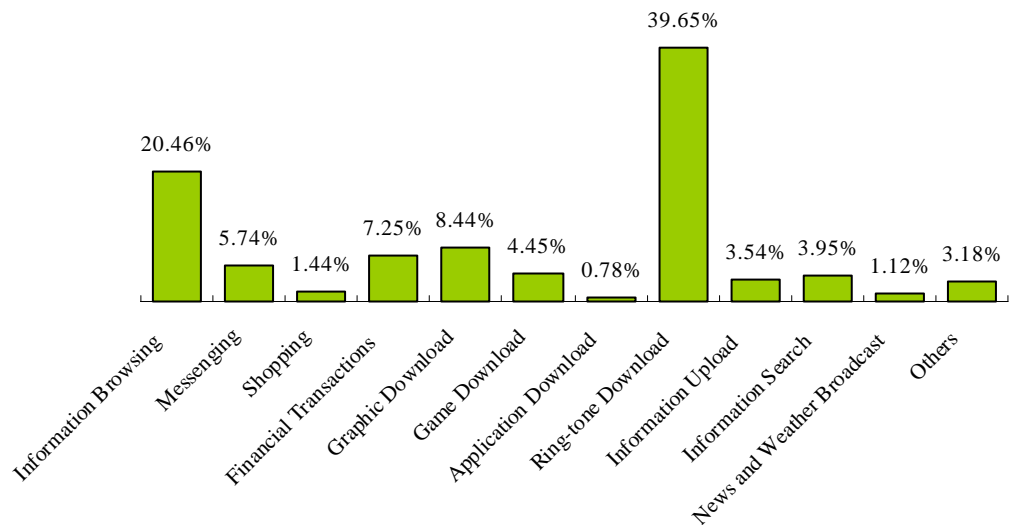
(1) Among the Mobile Internet service users, 58.75% of them opt to use GPRS, and it is followed by WAP and PHS.

Access Options for Mobile Internet Users (Multiple Choices)



(2) Among the Mobile Internet service users, the most frequently used service is “Ring-tones Download” with 39.65%, and it is followed by “Information Browsing” with 20.46%

Percentages for Services Used via Mobile Internet



**13.
Analysis on
the Behavior
of Mobile
Internet Users**

(3) 49.28% of the Mobile Internet users spent NTD1-250 on the Mobile Internet service, and it is followed by “Don’t know, its paid by family member” with 12.48%.

Monthly Expenditures on Mobile Internet Service

