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High-speed Internet Access Use is Growing

Over the past few years, many individuals have made a point of predicting what will happen with Internet use in the future. Many have predicted that the Internet would die within the first year or so of the new millennium, while others believed that we would be far more technologically advanced than we actually are at this point. Both of these responses, along with others, go to extremes in Internet forecasting. But just how is the Internet coming along? Are there any signs of a growth or decrease in usage?

In a recent column, I explained Internet growth in the numbers of users worldwide. From those figures alone, one can determine that there is growth. How does this growth translate into dollars, or actual increases in Internet use within the finishing industry?

A few weeks ago, the president of a large finishing shop was sharing a statistic with me that he heard on a National Public Radio (NPR) news brief. In this news feature, the announcer said that approximately 10 percent of the U.S. population is now online with high-speed access to the Internet, whether through DSL, cable modem or other means of high-speed, direct-connection. The commentator also mentioned that on, average, these high-speed connectors are using the Internet for 25-percent longer durations than they did when they were using slower connections, such as dial-up access.

The trend is starting to show that these individuals, who are experiencing the Internet in a much easier and faster loading environment, find the Internet to be so enjoyable they tend to expand their online time.

I wanted to find some actual statistics from research professionals to try to back these findings. After a bit of Internet digging, here are some of the findings.

Research Statistics

According to the Yankee Group (<http://www.yankeegroup.com>), 75 percent of households in the U.S. would be able to get high-

speed Internet access services by the end of 2001, if they wanted to. They also mentioned that only 60 percent of households had access to cable modem or DSL service providers. Yankee Group also mentioned that by the end of 2001, 66 percent of households in the U.S. would have access to cable modem broadband services, and 45 percent would be able to get DSL services.

As we see high-speed Internet connections grow, we are also seeing the usage grow. According to Nielsen NetRatings (<http://www.nielsenratings.com>), U.S. broadband users spent longer hours online than those Internet users with dial-up connections in January. This is the first time in Internet history that this has happened. These statistics point out that high-speed users spent 1.19 billion hours online in January, which was equivalent to 51 percent of all online time clocked in that month. High-speed users' online hours were also up 64 percent in January 2001, while dial-up users' online time was down three percent in the same period.

Nielsen NetRatings said that almost 21.9 million home Internet users, or 21 percent of all home users, went online using a broadband connection in January. About 25.5 million business users went online using broadband, up from 18 million last year.

Industry Will Benefit

So what does that mean for our industry so far? As society makes major changes in Internet awareness, growth and use, so will we. Let's say you are a supplier and you have a website that offers your products for "e-sale" to your customers. You may have the best mechanism in place, and the proper marketing and customer service to back it up. For some reason, however, your customers just haven't caught on yet. Sometimes, even great inventions take time getting used to, no matter how much time or money they save. As we grow as a soci-

ety in general within our overall Internet usage, we expand naturally into Internet transactions. Finishing shops and suppliers are already using the Internet on a daily basis for research, sourcing and purchasing.

As a matter of fact, according to Business Wire (<http://www.businesswire.com>), an increasing number of broadband subscribers in the U.S. are expressing interest in paying for extra broadband services. This is a far cry from the past. I remember reading research within the last couple of years that stated the majority of all Internet users were not willing to pay a single dime for anything more than their mandatory monthly dial-up Internet access fees. Somebody had the right idea with broadband connections. Business Wire goes on to point out that, according to BroadJump (www.broadjump.com), and Mindwave Research (www.mindwaveresearch.com), 20 percent of DSL subscribers are interested in long distance and wireless telephone services, but have not been offered them. Twenty-five percent of cable subscribers are interested in digital cable, premium channels and cable telephone, but have not been offered them.

These research firms have also found that the top Internet applications used by home broadband users in the U.S. are file swapping, firewall software, brokerage/banking, online digital imaging, and audio search engines. The top five reasons that broadband subscribers go online are communications, research, entertainment, shopping, and news.

We must not forget that the Internet is truly an amazing medium that offers us a vast number of wonderful resources. I challenge each of you to embrace the technology and use it to your advantage.

To request coverage on a specific topic or to ask questions, please contact the author.

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