

Broadband Internet access, awareness, and use: Analysis of United States household data

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Abstract

Data obtained from a nationwide survey of US residences during September and October 2002 are used to investigate household awareness of high-speed Internet access, profile Internet access and use, and gain insight into how important always-on, price, speed, installation, and reliability attributes are in their choice of service. Preliminary analysis suggests relatively high awareness of cable modem and DSL availability. Almost 19 percent of the sample have high-speed connectivity, and the mean price paid per month for dial-up and high-speed access is \$19.76 and \$42.36, respectively. Preference for high-speed access is apparent among households with higher income and college education. About 63 percent of high-speed users have more than five years of online experience, compared to 48 percent of dial-up users, and high-speed users are twice as likely to share music files and photos, bank, trade stocks, and pay bills “many times a week” than dial-up users. Willingness-to-pay estimates indicate reliability of service, speed, and always-on connectivity are important Internet access attributes.

Keywords: Internet; Broadband; Demand; Elasticity