



The Communications Market

2010

4 Internet and web-based content

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4.1 Key market developments in internet and web-based content

4.1.1 Industry metrics and summary

Figure 4.1 UK internet and web-based content market: key statistics

UK internet & web-based content market	2005	2006	2007	2008	2009	2010
PC / laptop take-up (%)	68	67	71	72	74	76
Internet take-up (%)	60	60	64	67	70	73
Total broadband take-up (%)	31	41	52	58	68	71
Fixed broadband take-up (%)	n/a	n/a	n/a	n/a	65	65
Mobile broadband take-up (%)	n/a	n/a	n/a	n/a	12	15
Social networking site take-up (%)	n/a	n/a	n/a	20	30	40
Use of mobile phone for web/data access (%)	n/a	n/a	n/a	20	20	23
Internet advertising expenditure	£1.4bn	£2.0bn	£2.8bn	£3.4bn	£3.5bn	n/a
Mobile media advertising revenue	£0.02m	£0.12m	£0.38m	£1.04m	£1.03m	n/a

Source: Ofcom research / IABUK/PwC / Screen Digest.

Note: Mobile media includes mobile TV, mobile VoD and mobile games and excludes display and search advertising.

The growth in the availability and take-up of the internet has provided another platform over which a variety of content types can be delivered to consumers. Rapid take-up of broadband by consumers means that the majority (71%) of households now have instant access to this content (though by no means all choose to). In recent years the internet has had a significant impact on how people can consume content:

- it allows **existing forms of content** such as TV-like programming and radio to be consumed in new ways (for example, on demand, or interactively); and
- it has allowed **new, internet-only content types** to emerge (such as social networking sites, blogs and other user-generated content).

Technological change – brought about by increases in broadband speeds and by advances in wireless technology – influenced consumer use of internet services. In particular, different sections of the population use the internet to varying degrees to consume different types of content through a variety of platforms. In the light of this, section 4.1 examines internet take-up and use in the UK, considering in particular:

- the **platforms** (including fixed, mobile and WiFi) that consumers use to access the internet; and
- the **demographic breakdown** of internet users (including splits by age, gender, socio-economic group and region).

Section 4.1 goes on to consider the ways in which people actually use the internet to consume web-based content. It looks at claimed behaviour and engagement, the most

popular online sites, how consumers navigate to content online and their involvement with user-generated content.

But first, Section 4.1.2 considers two important themes in the area of internet and web-based content.

- **Social networking now accounts for nearly a quarter (23%) of all time spent online.** This has been driven by the growth of Facebook, whose reach rose by 31% to reach a unique monthly audience of nearly 25 million in the year to May 2010. (Page 236)
- **Online advertising grew through the downturn to reach £3.5bn in 2009.** The 6% increase on 2008 was driven by growth in search (8%) and display (11%), but other classified fell (-5%) as the recession hit the property, automotive and recruitment sectors. (Page 240)

4.1.2 Social networking

Social networking sites continued to mature and diversify during 2009

In recent *Communications Market* reports we have highlighted the emergence and rapid growth of social networking sites in the UK. These sites allow consumers to create personal profiles, post content such as videos and photos, send messages, and interact with other users. Each year the capabilities of these sites have developed and changed as they have sought to attract and retain users, take advantage of network improvements and build sustainable business models.

Some examples of developments among the major sites include:

- The launch in December 2009 of **MySpace Music**, a comprehensive advertiser-funded, free web-based music streaming service. The service allows users to download tracks through Apple's iTunes, and incorporate other music sharing and discovery capabilities.
- In late 2009 **Twitter announced partnerships with Microsoft's Bing and Google** to index and provide real-time search of Twitter status updates through these search engines.⁵⁸
- Facebook announced in August 2009 that it would **acquire FriendFeed**, a service that aims to allow users to share updates with their friends more easily.⁵⁹

Over 60% of 15-34 year olds access social networking sites on the internet at home

Figure 4.2 shows that use of social networking has continued to grow rapidly among all age groups. Younger people are more likely to access social networking sites, with 61% of 15-34s claiming to do so, compared to 40% of all adults aged 16+. But it is by no means exclusively a young person's activity. Nearly half (48%) of 35-54s claim to use social networking sites, as do 20% of 55-64s – the latter showing a seven percentage point rise over the past year. However, usage patterns vary substantially between age groups. Our research shows that 89% of 15-24s who access social networking sites do so weekly, but just 50% of 55-64s with a profile do so.

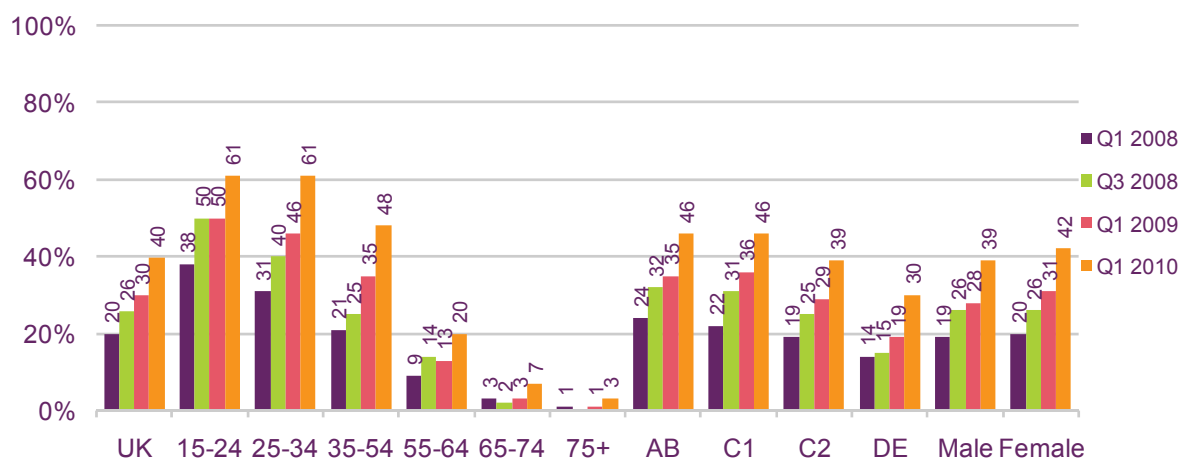
⁵⁸ <http://googleblog.blogspot.com/2009/12/relevance-meets-real-time-web.html>

⁵⁹ <http://www.facebook.com/press/releases.php?p=116581>

All demographics have seen an annual rise of at least ten percentage points in the number of people claiming to have social networking profiles. Take-up is higher among ABC1s (46%, up from 35%) relative to C2s (39% up from 29%) and DEs (30%, up from 19%). Women (42%) were slightly more likely than men (39%) to claim to access these sites.

Despite the growth of social networking among older age groups, and the high penetration among younger age groups, its take-up still lags behind total internet take-up, with around 45% of those who have internet access at home saying that no one in their household accesses social networking sites.

Figure 4.2 Proportion of adults who access social networking sites on the internet at home



QE12: Which, if any, of these do you or members of your household use the internet for while at home?

Source: Ofcom technology tracker, Q1 2010

Base: All adults aged 15+ (n = 5812 Q1 2008, 1581 Q3 2008, 6090 Q1 2009, 9013 Q1 2010).

Note: Q1 2008 data in this chart are not directly comparable to data published in the 2009 Communications Market Report due to updated data provided to Ofcom.

Facebook makes the largest contribution to the growing popularity of social networking

During 2009 Facebook consolidated its position as the largest social network in the UK (Figure 4.3). In April 2010 24.8 million unique individuals visited the site, compared to 4.1 million for Twitter and 3.1 million for MySpace. Despite starting from a high base, Facebook's user base grew by 31% over the past year. This was faster than the average of 12% achieved by the 'member communities' category overall (the UKOM/Nielsen category that includes sites like Facebook and MySpace).

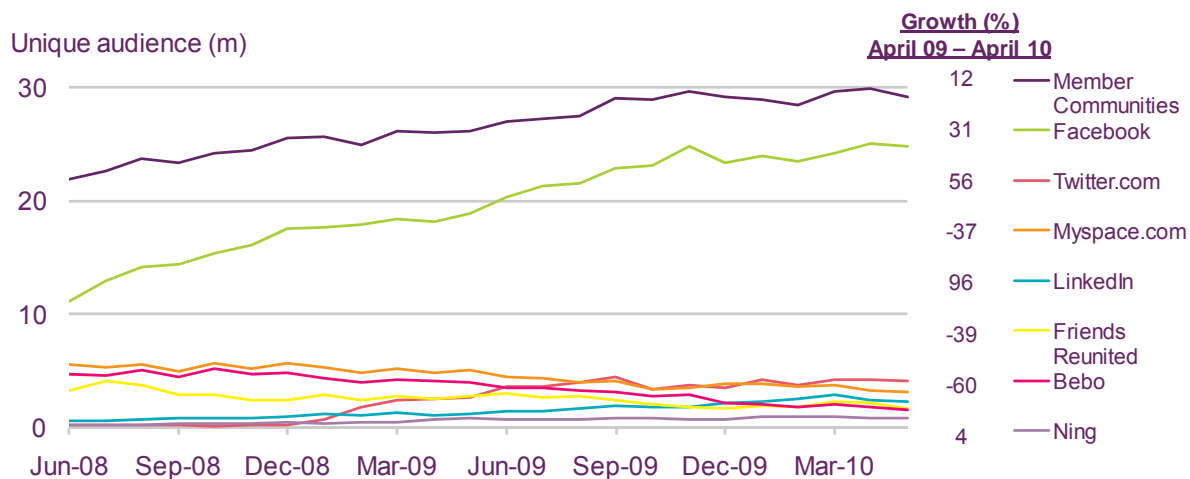
Facebook wasn't the only site to see rapid growth in take-up over the past year. Business social networking site LinkedIn's user base grew 96%, and Twitter's rose by 56% (although this does not include traffic from third-party applications). Growth on both of these sites was from a much lower base than that of Facebook.

MySpace and Bebo both experienced annual declines of 37% and 60% respectively in their unique audiences. A pioneer of social networking, Friends Reunited, saw its audience fall by 39%.

The ownership of both Bebo and Friends Reunited changed recently. Following clearance from the Competition Commission, DC Thomson subsidiary Brightsolid announced in March

2010 that it had completed the acquisition of Friends Reunited from ITV for £25m.⁶⁰ ITV had originally purchased the site for £175m in 2005. Meanwhile, in June 2010 Criterion Capital Partners announced that it had acquired Bebo from AOL.

Figure 4.3 Unique audience of selected social networking sites



Source: UKOM/Nielsen.

Note: Home and work panel, applications included. 'Member communities' is the UKOM category that primarily consists of social networking sites. "Unique audience" = the total number of unique persons that have visited a website or used an application at least once in the specified reporting period. Persons visiting the same website or using the same application more than one time in the reporting period are only counted once.

Social networking now accounts for a quarter of all time spent online

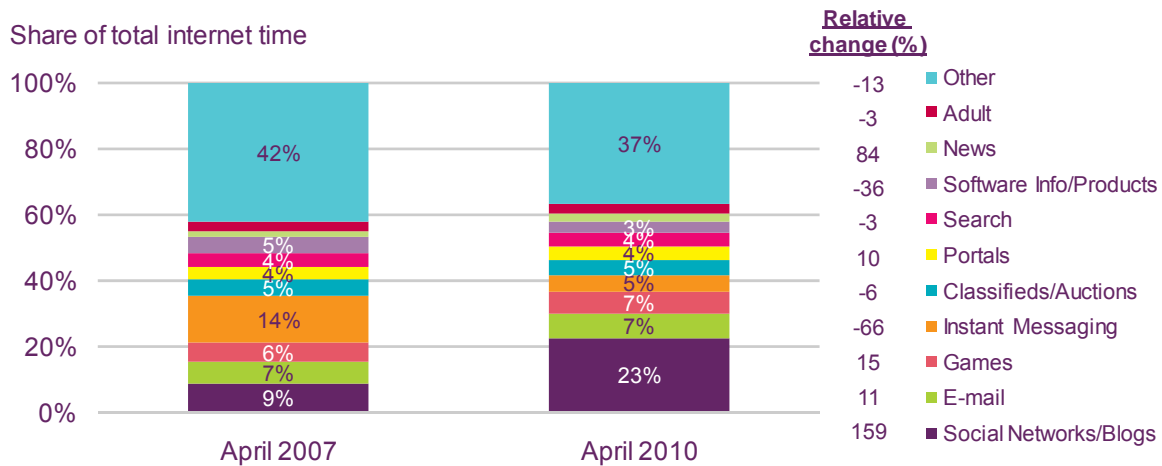
Perhaps an even more significant indicator of the growth of social networking is the increase in the proportion of total internet time that it accounts for. Figure 4.4 shows that in April 2007 social networking and blogs accounted for 9% of UK users' total internet time, according to audience data from UKOM/Nielsen. By April 2010, this had risen to 23%. This figure is broadly comparable to our *consumer's digital day* research (see Section 1.3), which put the proportion of total online computer time spent using social networking sites at 18%. The small difference between these two figures is likely to relate to methodological differences between consumer research and audience analysis.

This increase has come in tandem with the declining popularity of instant messaging, which during the same period saw its share fall from 14% to 5%; the popularity of most other categories remained flat over the period. Most sites now have instant messaging or chat features integrated into the site, in addition to email-like messaging services. For instance, Facebook introduced Facebook chat in April 2008.

Email use does not appear to have experienced a comparable decline in popularity over the past three years. Users spent the same proportion of time on email sites in 2010 as they did in 2007 (7%), despite some social networking sites offering almost the equivalent functionality to email. This may be because there is more overlap between the more casual communication of instant messaging than the sometimes more formal email. It may also be because instant messaging is more popular among young people than email, and younger people are more likely to use social networking sites (see Figure 4.2 above).

⁶⁰ <http://www.brightsolid.com/news/recent-news/brightsolid-acquires-friends-reunited>

Figure 4.4 UK internet sectors' share of total internet time



Source: UKOM/Nielsen.

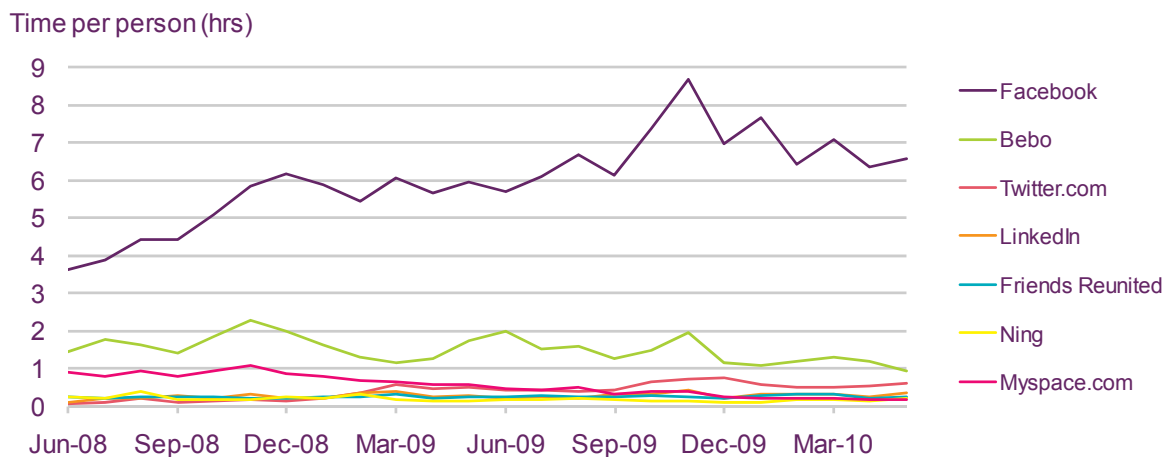
Note: Home and work panel, applications included. Email excludes work-related email.

Facebook users spend more time social networking than users of other sites

Facebook users spend substantially more time on the site than users of other social networking sites. Figure 4.5 shows that the average Facebook user spent 6 hours 30 minutes on the site in April 2010 (an average of 13 minutes a day). This has declined since a peak in November 2009 of 8 hours 39 minutes (17 minutes a day). Bebo was the next most intensively-used site, with users spending an average of just under an hour on the site in April 2010. For most other sites the figure was around half an hour or less. Since Facebook is also the most popular site in terms of unique audience (see Figure 4.3), Facebook accounts for the majority of the time spent using social networking sites.

Sites other than Facebook saw reductions in the time people spent on their sites. Large audiences and significant time spent online are not necessarily prerequisites for successful business models in the area of social networking, particularly for sites focusing on niche audiences, and thereby commanding higher fees for their advertising inventory.

Figure 4.5 Time per user per month spent on selected social networking sites



Source: UKOM/Nielsen.

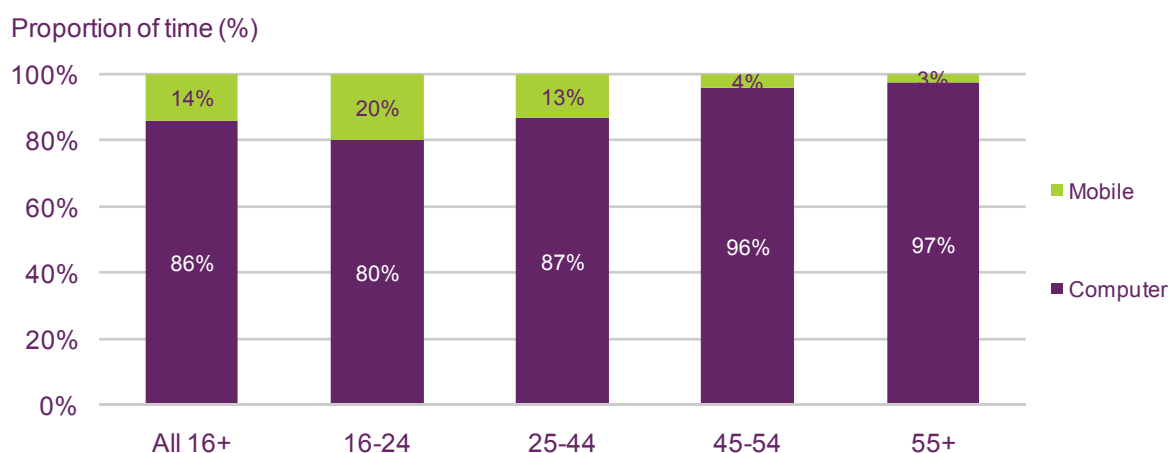
Note: Home and work panel, applications included.

A fifth of 16-24s' time spent social networking is on mobile devices

Social networking sites have also taken advantage of the growing popularity of the mobile internet and the increasing take-up of smartphones (see section 5.1.6). Most sites now have mobile-friendly versions and specific applications (apps) for smartphones. The importance of mobile social networking is highlighted by Facebook, which claims that more than 100 million users access its site through mobile devices, and that such users are twice as active on Facebook as non-mobile users.

Data from Ofcom's *consumer's digital day* research (see Section 1.3) show that using mobile devices to access social networking sites is particularly popular among younger adults (Figure 4.6). A fifth (20%) of the time they spend social networking is via a mobile device. This compares to the average of 15% for all adults who use social networking sites. The proportion of time spent social networking on mobile devices drops off rapidly among over-45s, at under 4%.

Figure 4.6 Proportion of time spent social networking, by device



Source: Ofcom research.

Base = All respondent days: 16+ = 7966; 16-24s = 1106; 25-44s = 3003; 45-54s = 1484; 55+ = 2373

4.1.3 Online and web-based advertising

Advertising plays an important role in funding online content. The internet has opened up new sources of advertising inventory and new ways of delivering ads to consumers; for instance, via targeted or behavioural advertising. Many sites use online advertising as the basis of their business models - social networking sites are an example of this. Subscription-based or so-called 'freemium' business models (which offer free access to a limited service and subscriber-based access to a wider range of content/functionality, e.g. LinkedIn or Evernote) are the exceptions rather than the rule.

For some types of online content there has been ongoing debate recently about the sustainability of free, advertising-funded business models online. Operators who appear to have adjusted their services to reduce their reliance on advertising revenue include:

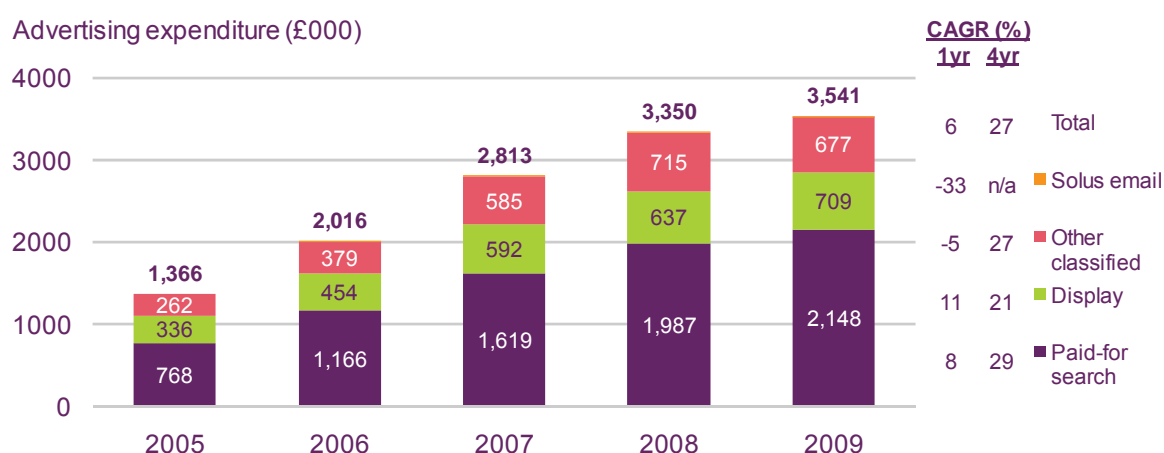
- **News International**, which in August 2009 announced that it would be moving its *Times* and *Sunday Times* web presence to a subscription model. The new-look sites launched in May 2010; and
- Music-streaming service **Spotify**, which in September 2009 restricted access to its unlimited free streaming service, and subsequently heavily promoted its subscription service. In May 2010 it launched several further differentiated subscription options.

But despite these signs of moves away from pure ad-funded online business models, the market for online advertising has continued to grow, particularly compared to other advertising sectors (see sections 2.1.2 and □).

Online advertising expenditure continued to grow through the economic downturn

Online advertising continued to grow through the downturn (Figure 4.7), albeit at a decreasing rate. Total online ad spend rose 6% during 2009 to reach £3.5bn. There were large variations between categories of online advertising. Display grew by 11% to reach £709m while non-search classified advertising fell by 5%. This may be because the recession has reduced spend more generally in classified sectors such as property, automotive and recruitment. Spending on search advertising increased by 8% in 2009, and now represents 61% of total internet advertising expenditure, up from 56% in 2005.

Figure 4.7 Internet advertising expenditure, by category



Source: IABUK/PwC.

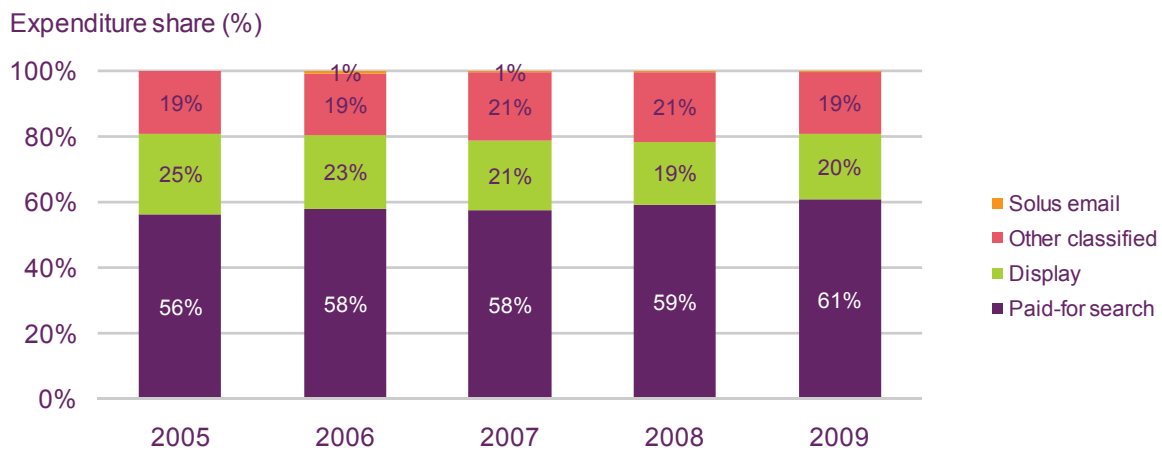
Note: CAGR = compound annual growth rate. Solus email is an opt-in form of advertising where the body of the email is determined by the advertiser, and is sent on their behalf by an email list manager/owner.

Paid-for search now accounts for £6 of every £10 of online ad spend

Internet advertising expenditure has continued to rise despite the economic downturn. But despite this, funding online content through advertising alone may continue to be perceived by some as challenging. This is because online advertising revenue is distributed unevenly, with the majority accruing from paid-for search. This is advertising that appears alongside search results on sites such as Google, Bing and Yahoo! Search; these search engines take much of the revenue.

Paid-for search now accounts for 61% of total internet advertising expenditure (Figure 4.8), and its proportion of the total has risen almost every year since 2005. During the same period the share of other classified revenue has stayed relatively constant, while display's share has declined by five percentage points to 20%.

Figure 4.8 Distribution of internet advertising expenditure, by category



Source: IABUK/PwC.

Note: Solus email is an opt-in form of advertising where the body of the email is determined by the advertiser, and is sent on their behalf by an email list manager/owner.

Although paid-for search is currently the most popular form of online advertising, new approaches to web-based advertising are beginning to emerge. These offer potential new sources of revenue. Examples include targeted and behavioural advertising, in-application advertising, augmented reality, and the various forms of mobile advertising (including mobile display, mobile search and newer formats such as location-based advertising). Although these forms of web-based advertising are still nascent, there are signs that they are becoming more significant.

Mobile advertising shows signs of growth...

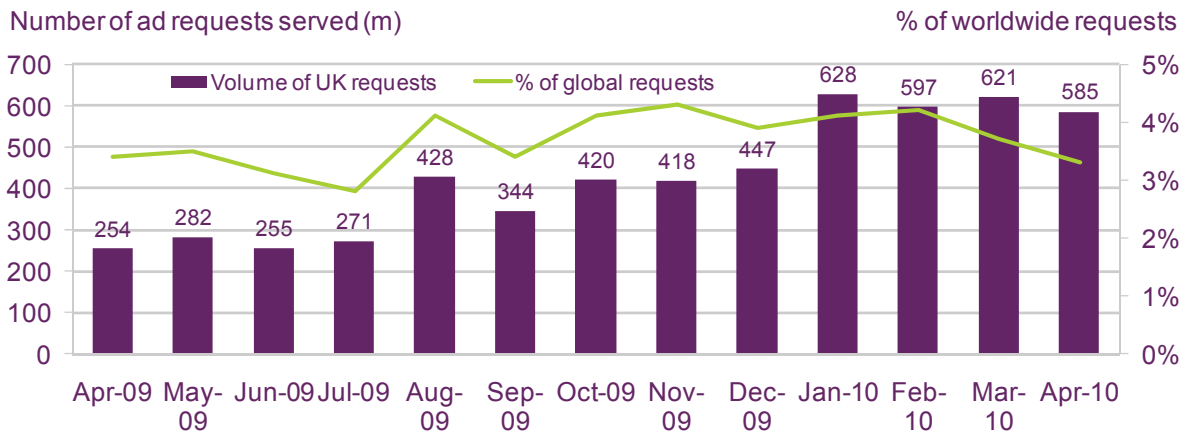
Mobile devices offer a variety of new opportunities for advertisers, ranging from SMS/MMS adverts to mobile games, mobile VoD, mobile TV and mobile internet advertising more generally. Conditions in the mobile market now appear potentially well-suited to mobile advertising:

- the widespread availability of **fast HSPA mobile data networks** allows increased complexity, interactivity and richness of advertising;
- the increasing adoption of **smartphones**; and
- the emergence of new connected portable devices such as tablets and e-readers.

Figure 4.9 shows the number of ad requests served by Admob, a mobile advertising network that links publishers and advertisers. Admob is owned by Google and does not account for the entire market of mobile advertising inventory, but as the largest mobile advertising network, it nevertheless provides an indication of the growth in mobile advertising. Mobile advertising requests served by Admob have more than doubled over the past year from 254 million to 585 million. At the same time the UK's share of total Admob ad requests has fluctuated between 3% and 4% during the past year.

The number of ad requests surged in January 2010, perhaps as a result of smartphones received as Christmas presents. The trend is for ad requests to grow in steps, and this largely ties in with the seasonality of new phone launches (Christmas/Easter/August).

Figure 4.9 Ad requests served by Admob



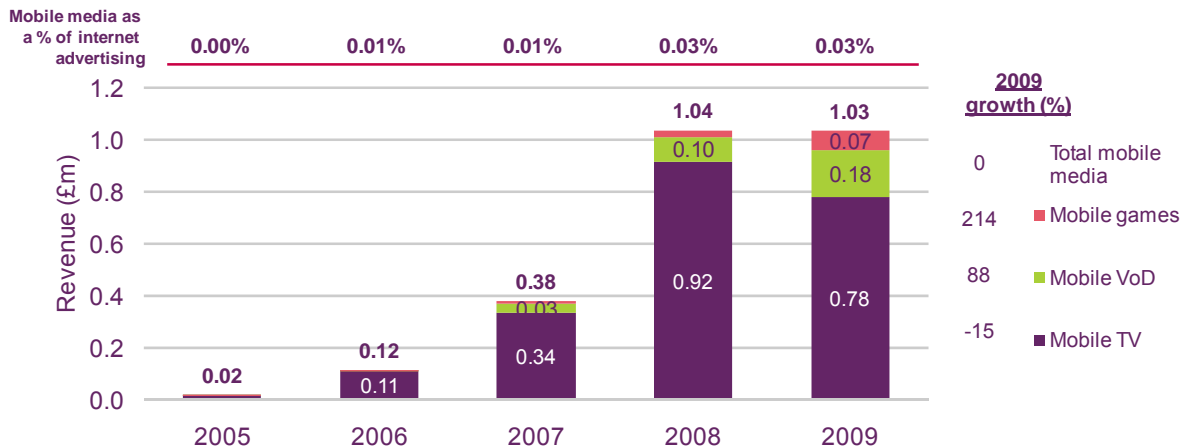
Source: Admob metrics.

...although mobile media advertising revenues remain small

While the number of ads served to mobile platforms is growing rapidly, the revenues generated by mobile media are small. Screen Digest (Figure 4.10) suggests that total mobile media advertising revenue was only £1.03m in the UK in 2009; this equates to 0.03% of total UK internet advertising expenditure in the year.

The bulk of mobile media advertising revenue (£0.78m) derives from mobile TV, which appears to have suffered during the economic downturn, and as a result total revenues have stagnated compared to 2008. But 2009 saw significant growth in two other categories: mobile VoD and mobile games, which grew by 88% and 214% respectively.

Figure 4.10 Mobile media advertising revenues



Source: Screen Digest / Ofcom / IABUK.

Note: Total mobile media advertising revenues include revenues from mobile TV, mobile VoD and mobile games and exclude display and search advertising.

4.2 Internet use in the UK

4.2.1 Introduction

Engagement with web-based content is limited by internet take-up. It has grown rapidly in recent years, but it still lags behind other major communications services such as broadcast networks and fixed-line and mobile telephony. This section examines internet take-up and use in the UK:

- section 4.2.2 considers the platforms that consumers use to access the internet, including mobile platforms; and
- section 4.2.3 examines who has access to the internet, and how access varies by age, gender, socio-economic group and region.

Key findings

The key findings from this section of the report are:

- **Internet take-up on PCs is edging towards three-quarters of UK households.** Household internet take-up now stands at 73%; nearly all homes with computers (76%) are connected to the internet. Broadband take-up is 71% (page 246).
- **Consumers are using a variety of devices to access the internet.** Taking advantage of the growth in connected devices, 67% of adults have used a PC to access the internet, 28% a mobile device, 10% a games console and 6% a portable media player (page 248).
- **The majority of people are *not* confident using their mobile phone to access the internet.** Just 23% of mobile users are confident accessing the internet on their mobile phone. A further 12 % are interested in doing so (page 250).
- **Home internet access varies significantly by age and socio-economic group.** Internet take-up drops off sharply among older age groups and DE socio-economic groups. While 73% of adults overall can access the internet at home, just 23% of people aged 75+ and 54% of DEs can do this (page 251).
- **Most users feel confident accessing the internet.** Nearly nine in ten (88%) internet users feel confident using the internet (at home or elsewhere). This varies by age from 95% of 16-24s to 74% of people aged 65+ (page 253).

4.2.2 Internet take-up, by platform

Internet take-up is edging towards three-quarters of UK households

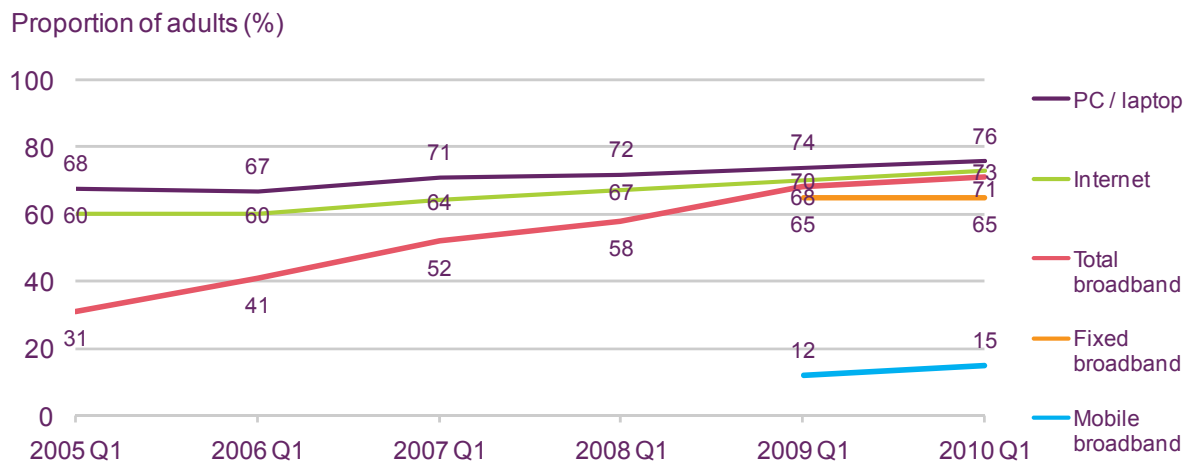
Growth in household internet take-up on PCs continued to grow during 2009, rising to 73% in Q1 2010 from 68% a year earlier (Figure 4.11). Almost all homes with computers are now connected to the internet, and PC ownership is likely to be the biggest constraint on increases in household internet take-up in the immediate future. However, it should be noted that increasingly people are using other devices to access the internet, notably mobile phones (see Figure 4.13 below).

The type of internet connection that a consumer has determines the type of content they can consume. Many forms of content require a broadband connection. Differences between fixed and mobile broadband connections, particularly with regard to bandwidth-intensive activities

like video streaming, are also relevant, since mobile broadband connections are more susceptible to capacity constraints.

Most internet connections are now broadband, with many consumers enjoying a rich variety of content online. Total broadband (fixed and mobile) take-up stood at 71% in Q1 2010 (up from 68% in Q1 2009), with 2% of UK households accessing the internet using a dial-up connection. Take-up of fixed broadband (which can often provide a faster connection) remained the same as in 2009, at 65%. This suggests that broadband growth in 2009 was driven by consumers taking mobile broadband (where users connect to the internet using a cellular network via a USB modem or dongle connected to a laptop), which grew from 12% to 15% (we consider this development further in section 5.1.5).

Figure 4.11 Household PC and internet take-up, 2005-2010



QE1: Does your household have a PC or laptop computer? / QE2: Do you or does anyone in your household have access to the Internet/Worldwide Web at HOME (via any device, e.g. PC, mobile phone etc)? / QE6: Which of these methods does your household use to connect to the Internet at home?

Source: Ofcom technology tracker, Q1 2010.

Base: All adults aged 15+ (n=9013).

Note: mobile broadband does not include internet access using a smartphone.

Two-thirds of households with fixed connections use a WiFi network

While most broadband connections come through a fixed-line network, more and more people are taking advantage of the flexibility offered by home WiFi networks. Since 2008 (see Figure 4.12 below) the majority of fixed broadband subscribers have been able to connect to the internet through a WiFi connection using a wireless router (often provided by an internet service provider), allowing consumers to consume content over any WiFi-connected device anywhere within their homes.

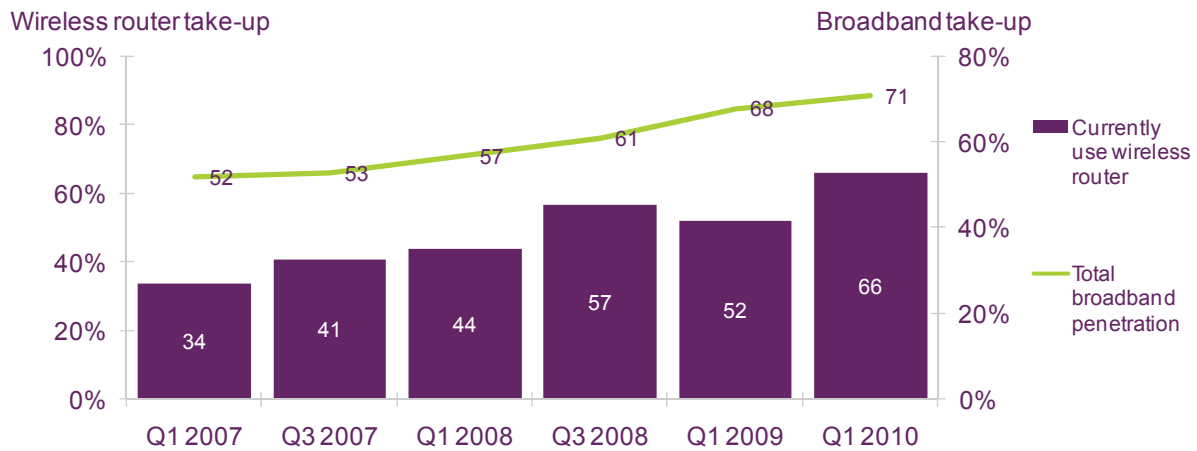
Home WiFi networks operate in the 2.4GHz or 5GHz spectrum bands and conform to a technical standard (IEEE 802.11). A home WiFi network typically includes one or more network access points (often a wireless router) and one or more connected devices.

Figure 4.12 shows how the take-up of wireless routers has risen since 2007. It has almost doubled since Q1 2007, to reach 66% of all fixed broadband connections in Q1 2010. This may have been driven by a variety of factors including:

- increases in the number of internet-capable devices in the home;
- a desire to consume content on screens other than the family PC;

- the falling price of wireless routers and the ISP practice of offering new customers free or subsidised routers.

Figure 4.12 Use of wireless router vs. broadband take-up, 2007-2010



Source: Ofcom research, Q1 2010.

Base: Adults aged 15+ with a broadband connection at home (from 2009 this is based on fixed broadband connections only).

Note: Total broadband penetration (fixed and mobile) based on all adults aged 15+.

Other technologies are also emerging that allow consumers to access web-based content throughout their homes on a variety of devices. These may blur the boundaries between the roles that computer, television and mobile devices play, and between broadcast and other video-like content. Examples include:

- **‘powerline’ technology** – that uses the mains wiring in homes to transmit data to other devices (as power sockets tend to be closer to televisions than phone sockets); and
- **‘femtocells’** – small in-home cellular base stations. These allow consumers to use 3G/HSPA devices in their homes and route the data over their fixed broadband connections rather than the cellular network.

Consumers are accessing the internet across more and more devices

Alongside the growth in internet connections, the range of internet-connected devices available to consumers has grown rapidly in recent years. This means that many consumers now have a number of different ways to access web-based content in ways that are convenient to them. Apart from PCs and laptops, examples include:

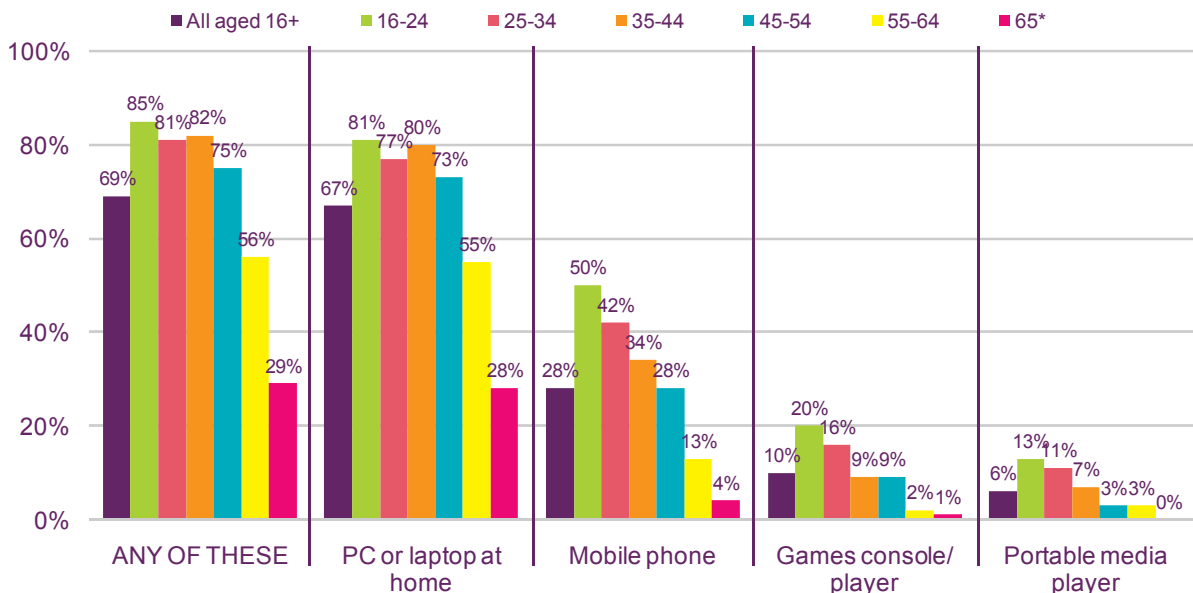
- **mobile phones** – such as smartphones (like the iPhone, Android, Blackberry and Symbian devices), or ‘feature phones’ which offer a more limited internet browsing experience;
- **games consoles** – advanced games consoles such as the Sony Playstation 3, Microsoft Xbox 360 and Nintendo Wii allow users to browse the internet and consume web-delivered video content as well as playing games online;
- **portable media players** – devices such as the Apple iPod Touch and Archos 5 Internet Tablet have been joined by newer devices such as the Apple iPad, Dell Streak and various e-reader devices which all enable users to access internet content; and

- **other devices** – such as internet TVs (for example, certain Sony Bravia and Samsung 6 Series models – see section 2.1.8 for more information on web-enabled TVs), and internet radios combine online content with broadcast content.

Ofcom media literacy research shows that accessing websites through a computer or laptop is widespread, with 67% of adults claiming that they do this (Figure 4.13). This compares to 28% of adults who claim to use a mobile phone to access websites, 10% who claim to use a games console, and 6% a portable media device.

There are some significant differences in behaviour between age groups, with 16-34 year-olds significantly more likely than the general population to access websites through non-PC devices. Half (50%) of all 16-24 year olds claimed to access websites through mobile phones, with this figure falling to 42% for 25-34 year olds. Significant numbers of young people are now visiting websites through their games consoles: 20% of 16-24s claim to access the internet in this way, compared to 10% of the general population.

Figure 4.13 Devices used to visit internet websites in 2009, by age



IN1/ IN2 – Do you or does anyone in your household have access to the internet at home through a laptop or computer? And do you personally use the internet at home? / Do you own and use any of the items shown on this card to visit internet websites? (Prompted responses, single coded).

Base: All adults aged 16+ (1824 aged 16+, 253 aged 16-24, 274 aged 25-34, 374 aged 35-44, 274 aged 45-54, 276 aged 55-64, 373 aged 65+).

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009.

Nearly a quarter of adults use their mobile phones to access data services...

Although WiFi can play an important part in accessing the internet over phones and other mobile devices in some areas (e.g. in-home and in some city centres), the growth in internet access over mobile phones has also been driven by the widespread availability of 3G (see section 5.2.5), HSPA network upgrades and growing smartphone take-up (see section 5.1.6). Accessing the internet in this way can be either as a complement to, or a substitute for, fixed-line internet access.

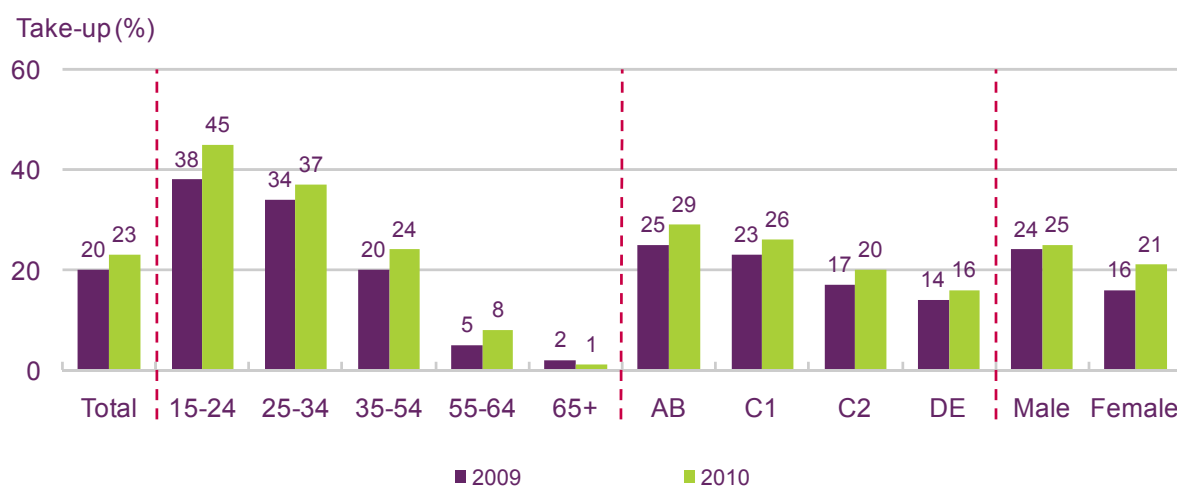
Ofcom research from a separate survey to the chart above (our technology tracking study) (Figure 4.14) shows that growing numbers of people now use their mobile phones to access web and data services, including internet browsing, VoIP, downloading applications, downloading and streaming content and sending emails. By Q1 2010 nearly a quarter (23%)

of people claimed to do one or more of these activities on their handset, up from a fifth (20%) in Q1 2009.

Younger people are more likely to use mobiles for web and data access than home internet users generally. Forty-five per cent of 15-24 year olds claimed to use their mobile phones for this in Q1 2010, up from 38% in Q1 2009. This is nearly twice the number of 35-54 year olds who make the same claim (24%), and nearly six times the number of 55-64 year olds (8%).

Consumers in the AB (29%) and C1 (26%) socio-economic groups are more likely than C2s (20%) and DEs (16%) to use their mobiles for web or data access, although all groups have seen moderate increases in take-up over the past year. Men (25%) are more likely than women (21%) to use their phones in this way; over the past year the gap between the proportions of men and women who use their mobiles for web access has halved from eight percentage points to four percentage points.

Figure 4.14 Use of mobile phones for web/data access



QD9A: Which if any, of the following activities, other than making and receiving voice calls, do you use your mobile for?

Source: Ofcom technology tracker, Q1 2010.

Base: all adults 15+ (n = 9013 UK, 1351 15-24, 1378 25-34, 3038 35-54, 1334 55-64, 1912 65+).

Note: Web/data access includes accessing the internet, downloading and streaming content, connecting using WiFi and using VoIP.

Consumers' consumption of content over the web on mobile phones may differ from their consumption of content using fixed broadband. Differences in the quality of service between fixed and mobile networks⁶¹, and differing habits of consumption on small mobile devices compared to computer, laptop and TV screens could all influence internet use. In particular, some content consumed through mobile devices is likely to be either mobile-specific or particularly suited to mobile consumption. Examples include mobile applications and location-based services.

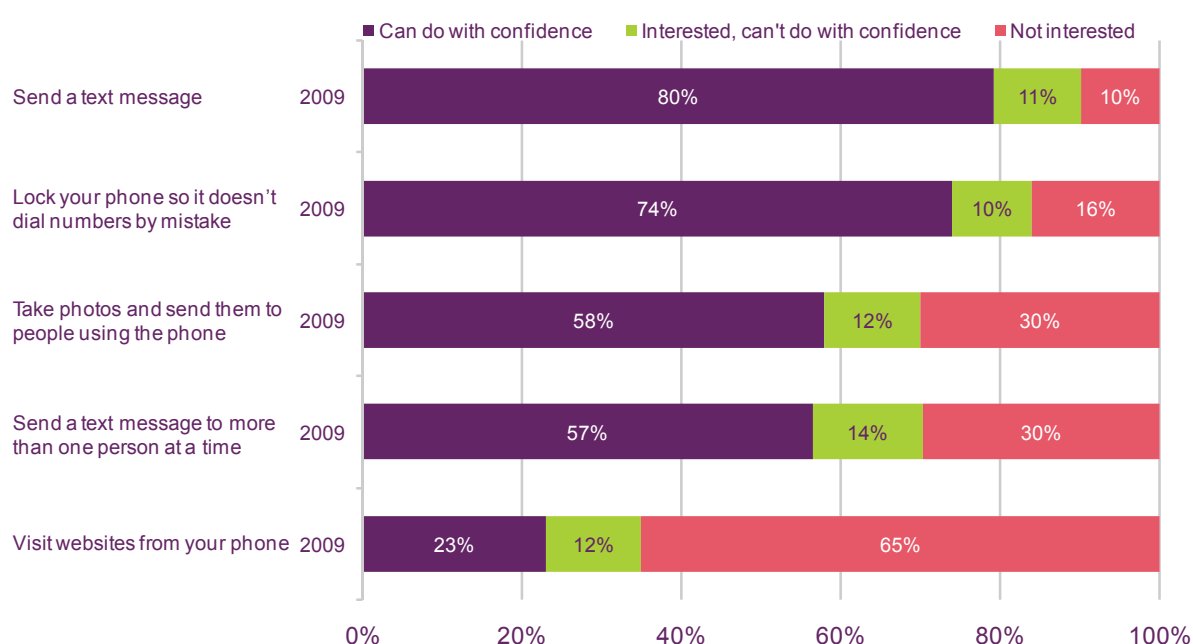
⁶¹ Fixed-line broadband speeds are typically much higher than those on mobile networks. Ofcom's research into fixed-line broadband speeds found that average speeds in the UK were 5.2Mbit/s in May 2010 (<http://stakeholders.ofcom.org.uk/market-data-research/telecoms-research/broadband-speeds/broadband-speeds-2010/>); Epiteiro found that average mobile broadband speeds were around 1Mbit/s in May 2009 (<http://www.epitiro.com/news/epitiro-publishes-uk-mobile-broadband-research.html>)

...but some are *not* confident in using the web on their mobile

Nearly a quarter (23%) of the population say that accessing the internet over a mobile phone is something that they can do with confidence (Figure 4.15). A further 12% say that they are interested in this activity, but are not confident in carrying it out, while nearly two-thirds (65%) of people say they have no interest in using their mobile phone in this way. This may reflect the fact that many still see their mobile phone primarily as a telephone, rather than a multi-functional device, and it may also reflect confusion about data charges for consumers not on unlimited data plans.

In comparison, many more people are confident users of the more basic mobile phone functions such as sending a text message (80%), sending photo messages (58%) and sending simultaneous text messages (57%).

Figure 4.15 Confidence and interest in mobile phone functions



M3A-M3E – I'm going to read out some different types of things that you can do with some kinds of mobile phone, and for each one I'd like you to say which of the options on the card applies to you.
Base: Adults aged 16+ with a mobile phone (1632).

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009.

4.2.3 The demographics of internet access

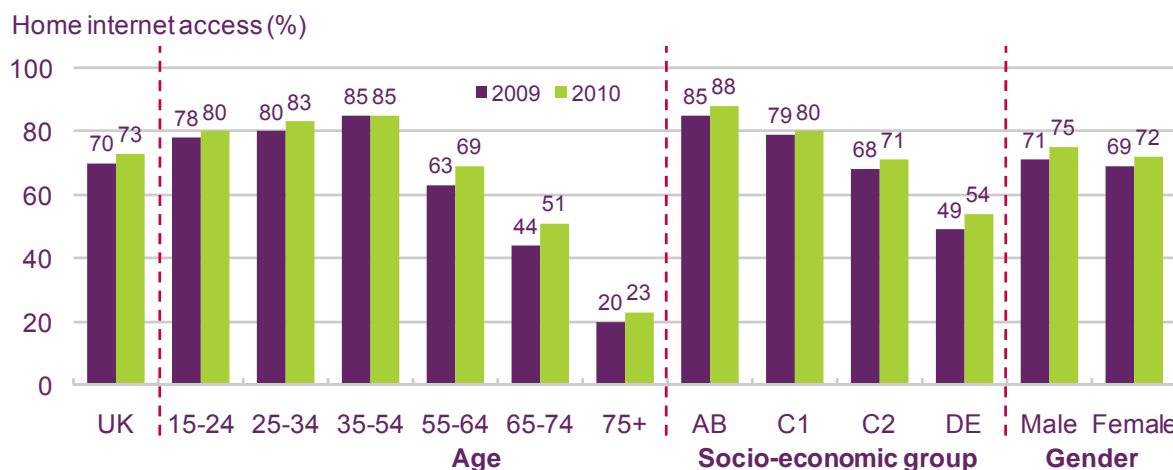
Home internet access varies significantly by age and socio-economic group

While 73% of the UK population had access to the internet at home by Q1 2010, the figure varies substantially by age and socio-economic group (Figure 4.16). Among 15-54 year olds internet take-up is above 80%, and peaks at 85% among 35-54 year olds. But take-up falls for consumers aged 55 and older. Among 55-64 year olds the figure stands at 69%, and this drops to half (51%) of 65-74 year olds and a quarter (23%) of 75+ year olds. Despite this, much of the growth in internet take-up appears to have taken place among older age groups. The highest absolute growth in take-up took place among the 55-64 and 65-74 age groups, which grew by six and seven percentage points respectively.

There is also a relationship between levels of home internet take-up and socio-economic group. Nearly nine in ten (88%) ABs report having a broadband connection; this drops

steadily to 80% of C1s, 71% of C2s and 54% of DEs. The difference in internet take-up between men and women is less pronounced, but men are more likely than women to have access to the internet at home, by 75% to 72%.

Figure 4.16 Home internet access, by age, socio-economic group and gender



QE2: Do you or does anyone in your household have access to the internet/Worldwide Web at home?

Source: Ofcom technology tracker, Q1 2010.

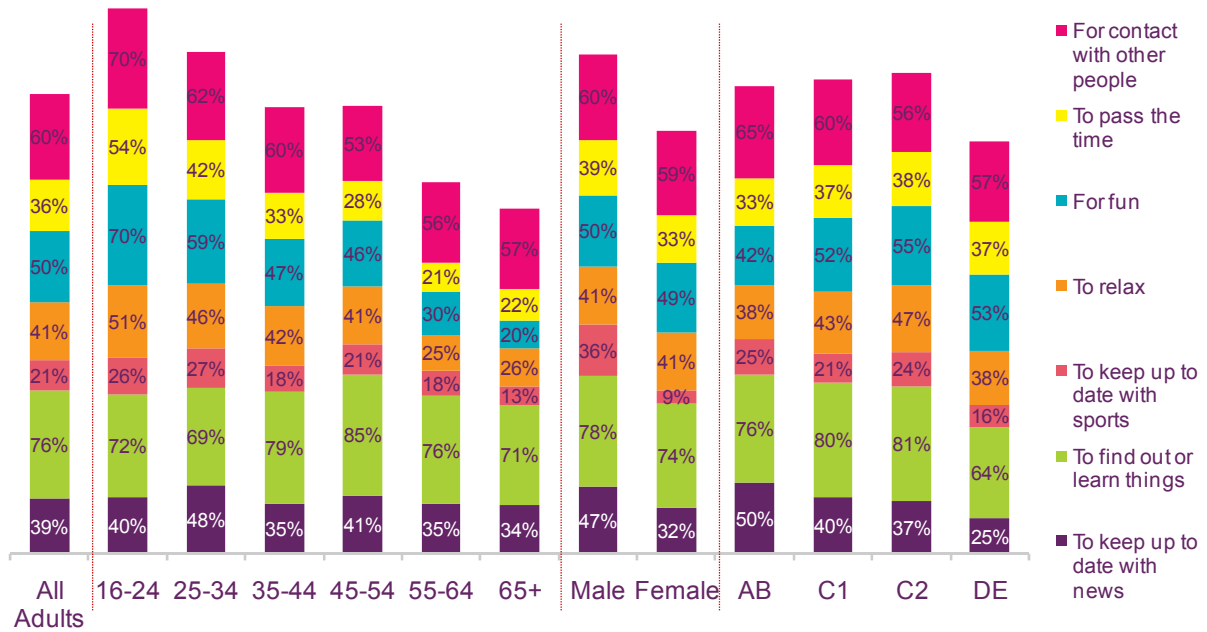
Base: all adults 15+ (n = 9013 UK, 1351 15-24, 1378 25-34, 3038 35-54, 1334 55-64, 1109 65-74, 803 75+, 2029 AB, 2631 C1, 1735 C2, 2569 DE, 4298 male, 4715 female).

Younger people are more likely to use the internet for leisure pursuits while older internet users tend to focus on functional activities

Just as home internet access varies by age, gender and socio-economic group, so do the reasons for using the internet. Ofcom's media literacy research (Figure 4.17) shows the reasons for using the internet across the demographic groups in 2009, 'stacked' to show the breadth of responses.

These data show a divide between older and younger age groups in terms of attitudes to the internet. Internet users aged 16-34 were more likely to say they used the internet to relax and 'for fun' than the rest of the internet-using population, with 16-24s more likely to say they went online to pass the time and to contact other people. Older internet users, aged 55-64 and 65+, were more likely to use the internet 'to find out or learn things' and 'for contact with other people', suggesting that older users take a much more functional approach than younger people to the internet.

Figure 4.17 Reasons for using the internet, by age, gender and SEG



IN42 – Which, if any of these are reasons why you use the internet? (prompted responses, multi-coded)

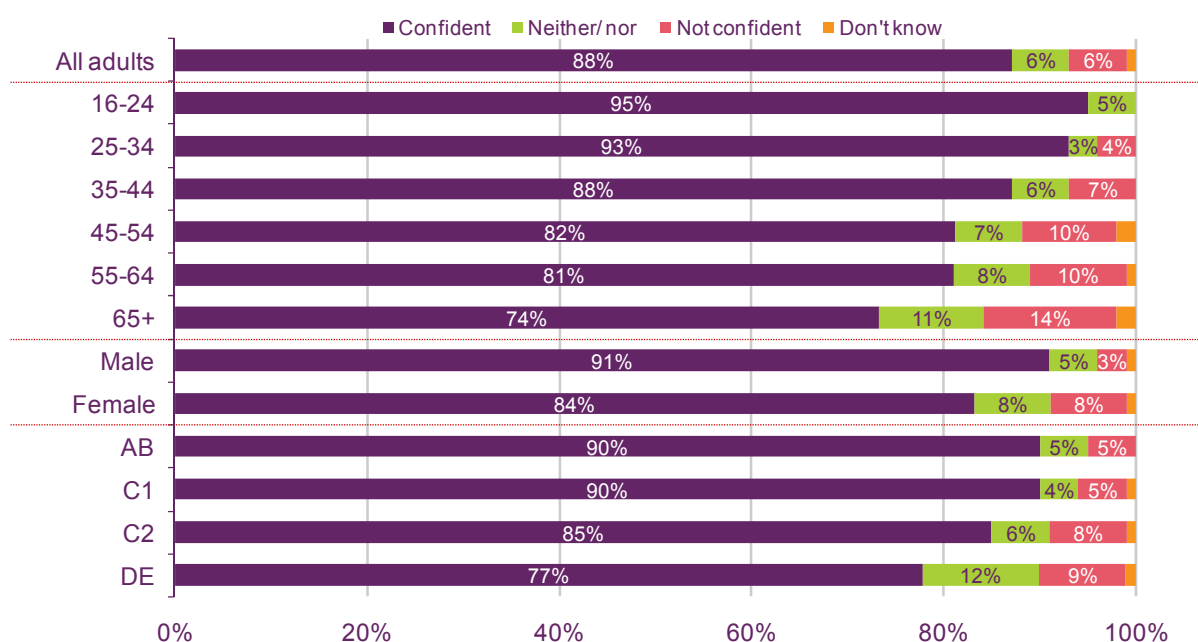
Base: All adults aged 16+ who use the internet at home or elsewhere (1282 aged 16+ in 2009, 225 aged 16-24, 235 aged 25-34, 313 aged 35-44, 213 aged 45-54, 168 aged 55-64, 128 aged 65+, 615 male, 667 female, 341 AB, 417 C1, 232 C2, 290 DE).

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009.

Nearly nine in ten internet users feel confident online

Confidence in using the internet is high across all age groups of internet users, ranging from 74% of 65+ users to 95% of 16-24s. Men claim to be more confident online than women, (91% to 84%), and ABC1s (90%) claim to be more confident than C2s (85%) and DEs (77%) (Figure 4.18).

Figure 4.18 Confidence as an internet user in 2009, by age, gender and SEG



IN10D – Overall then, how confident are you as an internet user? (Prompted responses, single coded).

Base: All adults aged 16+ who use the internet at home or elsewhere (1282 aged 16+, 225 aged 16-24, 235 aged 25-34, 313 aged 35-44, 213 aged 45-54, 168 aged 55-64, 128 aged 65+, 615 male, 667 female, 341 AB, 417 C1, 232 C2, 290 DE). Significance testing shows any differences between any age group and all adults aged 16+, between males and females, between any socio-economic group and all adults aged 16+.

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009.

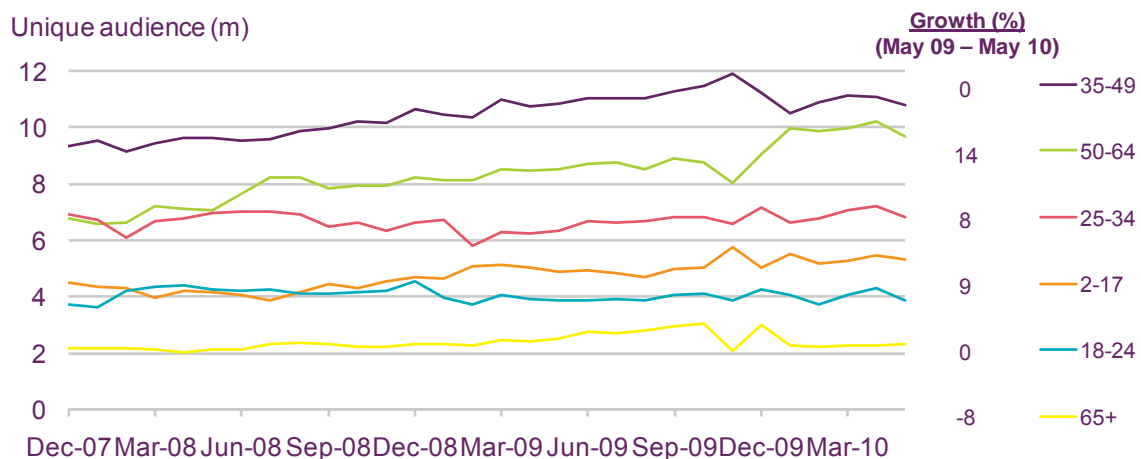
Internet audiences are highest around the Christmas period

Figure 4.19 shows the active online universe over time, by month and age. This is the number of individuals (aged 2+) who used an internet-enabled computer during a particular month, and in May 2010 stood at 38.8 million people.

The online universe has grown relatively slowly over the past year. According to UKOM/Nielsen data, the fastest growing age group over the past year was people aged 50-64, which saw 14% growth.

Figure 4.19 also shows how unique audiences vary on a monthly basis, with audiences often peaking around Christmas time, and plateauing over the summer. This may be explained by the use of the internet to purchase Christmas presents and consumers connecting newly acquired devices to the internet.

Figure 4.19 Active online universe, by age



Source: UKOM/Nielsen, home and work panel, applications included.
 Note: active online universe = number of users aged 2+ who use an internet-enabled computer.

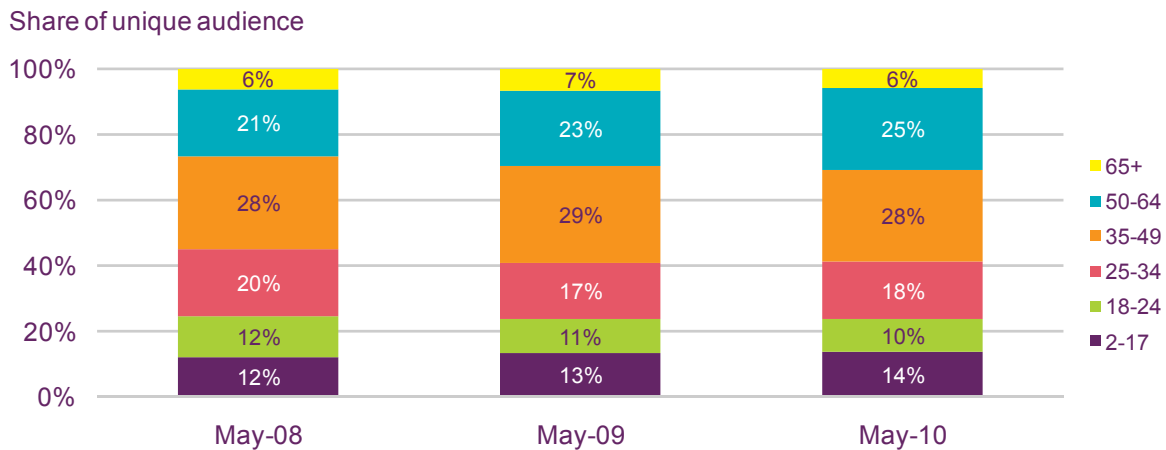
The online audience is maturing as internet take-up among older people rises faster than among other age groups

Data from UKOM/Nielsen also suggest that the active online universe is ageing as older age groups online grow faster than younger age groups. In May 2008 users aged 50+ made up 27% of the active online universe. By May 2010 this had risen to 31%. During the same period the share of the active online universe accounted for by 18-34 year olds declined from 32% to 28% (Figure 4.20).

This growth in the audience share of older consumers is a result of faster growth in internet take-up among this group. Internet take-up grew by seven percentage points among 65-74s and six percentage points among 55-64s, compared to three percentage points among the population as a whole. But despite strong growth in take-up among people aged 55-74, among the oldest consumers (people aged 75+), growth mirrored the wider population, at just three percentage points (Figure 4.16).

The growth in internet take-up among people aged 65+ is not reflected in this group’s share of total audience, which has stayed constant at around 6% according to UKOM/Nielsen data. This is likely to reflect differences in research methodology between the two metrics, and the fact that older users may be less frequent users of the internet, and so less likely to register in UKOM’s data in a given month.

Figure 4.20 Share of active online universe, by age

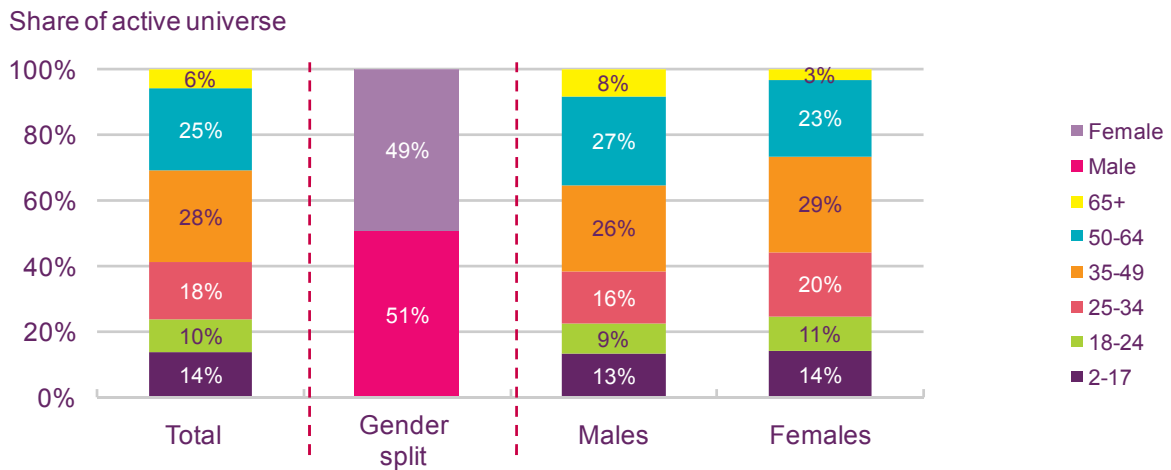


Source: UKOM/Nielsen, home and work panel, applications included, month of May 2010.
 Note: active online universe = number of users aged 2+ who use an internet-enabled computer.

Younger people make up a greater proportion of female internet users than of male internet users

The active online universe is split very slightly in favour of men, by 51% to 49% (Figure 4.21). But between male and female internet users there appear to be a number of differences by age. In particular, younger people make up a greater share of female internet users than male internet users. Among men, users aged under 35 account for 38% of internet users, but among women the comparable figure is 45%. Correspondingly, people aged 65+ account for only 3% of the female online universe but 8% of the male online universe.

Figure 4.21 Share of active online universe, by age and gender



Source: UKOM/Nielsen, home and work panel, applications included, month of May 2010.
 Note: active online universe = number of users aged 2+ who use an internet-enabled computer.

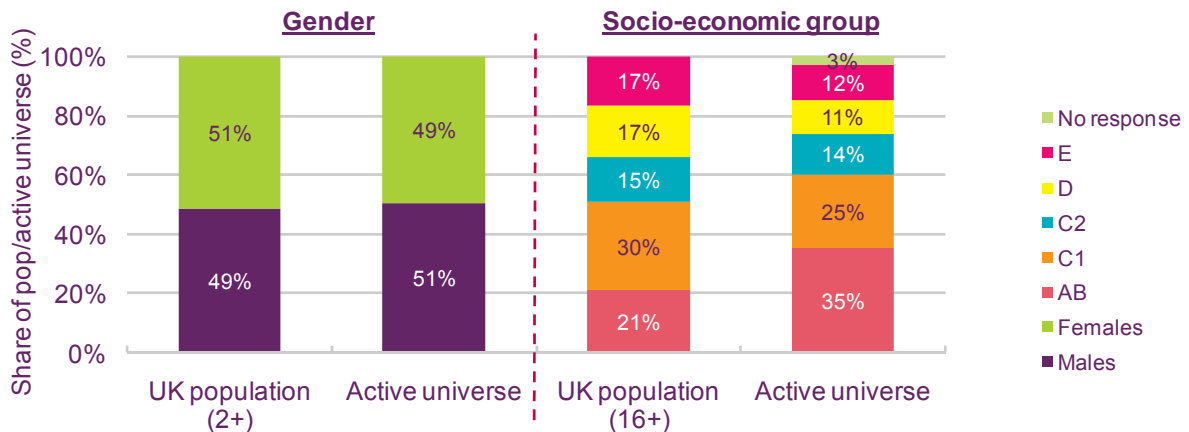
The active online universe shows a skew towards ABC1 users

We can see how the profile of the active online users compares to the general UK population by contrasting audience data from UKOM/Nielsen with population data from the Office of National Statistics (Figure 4.22). These data show that the gender breakdown of the active universe is the opposite of the UK population, 51:49 in favour of men.

The starkest difference between the general UK population and the active online universe relates to socio-economic group. ABC1s make up 51% of the UK population, but account for 60% of the active online universe. The contrast is more striking for the AB group – these make up 21% of the population but 35% of the online universe.

Several factors may play into these differences. For example, higher disposable income, greater propensity to have a fixed telephony connection and therefore a fixed-broadband connection, and greater likelihood of using the internet for work purposes.

Figure 4.22 Gender and demographic breakdown of active online universe

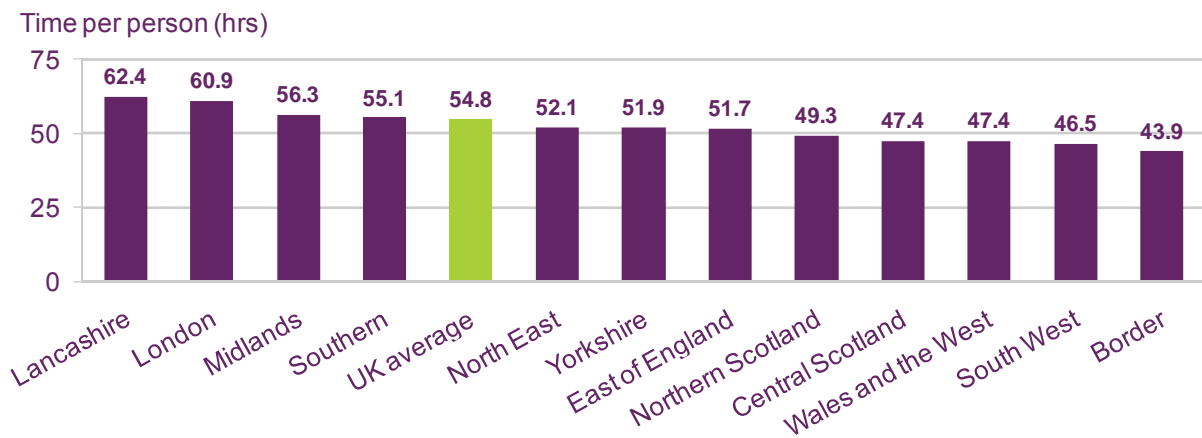


Source: ONS / UKOM/Nielsen, home and work panel, applications included, month of May 2010.
 Note: active online universe = number of users aged 2+ who use an internet-enabled computer.

Internet users in Lancashire spend the most time using an internet-enabled computer

Across the UK the average monthly time per person spent using an internet-enabled computer was 54.8 hours in May 2010 (Figure 4.23). But there are regional differences in the time spent per person. Users in Lancashire appear to use their internet-enabled PCs most intensively, with the average user spending just over 62 hours 30 minutes in May 2010. This compares to Border, where the average user spent just under 44 hours using a PC during the same period. Regional differences in time spent in this way are likely to be driven by a number of factors including age profile, socio-economic profile and the rural/urban split of a region.

Figure 4.23 Monthly internet-enabled PC time per user, by region



Source: UKOM/Nielsen, home and work panel, applications included. Month of May 2010. Regions based on ISBA regions.

Note: active online universe = number of users aged 2+ who use an internet-enabled computer.

4.3 Consumption of web-based content

4.3.1 Introduction

Section 4.3 examined how people access the internet and the platforms that they use to do so. This section considers what they use the internet for, and looks at some forms of content that are specific to the internet:

- Section 4.3.2 considers what people use the internet for, their engagement with online content, the most popular content online and the ways in which consumers navigate to that content.
- Section 4.3.3 looks briefly at popular content consumed over mobile networks.
- Section 4.3.4 considers one of the most popular forms of web content – user-generated content.
- Finally, section 4.3.5 concludes by looking at the concerns that people have about the internet.

Key findings

The key findings from this section of the report are:

- **Consumers are increasingly using the internet to shop and save money.** Around half of all broadband users say they are now more likely to shop online to save money (53%) or use voucher codes (47%) than they were 12 months ago. And six in ten (61%) say they are more likely to use price comparison sites (page 262).
- **The same top 10 websites are popular across all age groups, differing only in order.** Just nine internet brands account for the top 10 sites across all age groups, and the top three sites (Google, Google search and MSN/WindowsLive/Bing) are identical across all age groups (page 265).
- **Consumers hold a range of views on the accuracy and impartiality of search engine results.** Half of all search engine users (54%) make some sort of critical evaluation of the websites listed in the search results. But a fifth (20%) trust that the websites returned will contain accurate and unbiased information (page 269).
- **User-generated content sites are continuing to grow.** YouTube remains the most popular video-sharing site, growing by 13% year-on-year to reach 17.5 million monthly unique users (page 274).
- **Overall, six in ten (61%) of users express some concerns about the internet.** Concerns are highest among the 55-64 age group (74%) and lowest among 16-24s (48%) (page 275).

4.3.2 Internet use and consumption

Email and web browsing are the most popular web activities

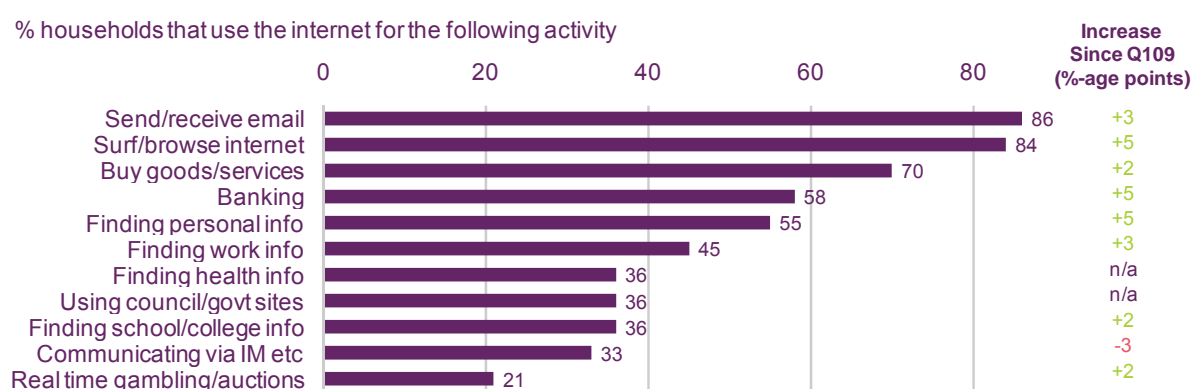
Consumers use the internet for a wide range of activities, including finding information and accessing services (Figure 4.24), shopping and saving money (Figure 4.26) and consuming various types of media (Figure 4.27). The most popular internet activity in Q1 2010 was sending and receiving email (85%), closely followed by surfing and browsing the internet

(84%). The popularity of both activities has risen slightly on Q1 2009, by three and five percentage points respectively.

Buying goods and services over the internet can offer significant advantages to consumers. These can include discounts, more extensive choice and the convenience of purchasing goods from home. Seventy per cent of internet users claim to use the internet to buy goods and services online, while 58% of internet users report using online banking.

The only activity (tracked by Ofcom) whose popularity fell over the past year is instant messaging. This may reflect the fact that alternatives to standalone instant messaging have grown in popularity recently. Examples include instant messaging capabilities built into popular social networking sites like Facebook, and instant messaging applications incorporated into mobile phones.

Figure 4.24 Claimed use of the internet for selected activities



QE10A: Which, if any, of these do you or members of your household use the internet for while at home?

Source: Ofcom technology tracker, Q1 2010.

Base: All with internet access (n=6163).

Users aged 55+ are much more likely to use the internet for only a few activities

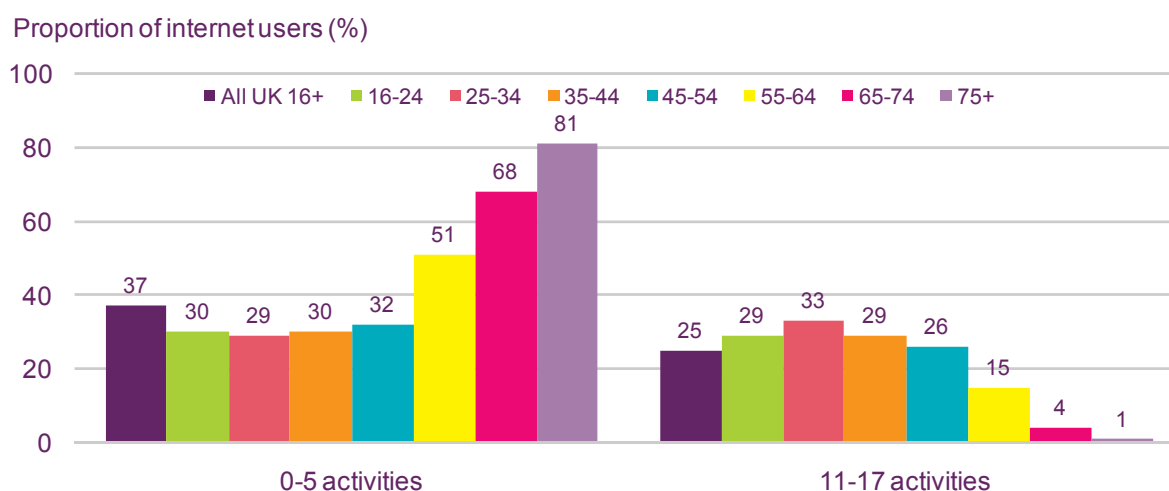
Ofcom's research into digital participation shows that breadth of internet use varies substantially by age⁶². We asked people how many of a specified list of 17 online activities they engaged in, and compared the results by age group (Figure 4.25).

Across all internet users aged 16+ just over a third (37%) of people engaged in five or fewer online activities. This figure dropped to around 30% for internet users aged 16-54, but rose sharply for older internet users. Half (51%) of 55-64s, two-thirds (68%) of 65-74s and eight in ten (81%) internet users aged 75+ engaged in five or fewer of our list of activities. This may be because older people often acquire the internet for a particular purpose, such as keeping in contact with relatives by email.

Among those who engage in a large number (11-17) of our list of activities the situation is reversed. Users aged 16-24 are more likely to engage in a large number of our list of activities. The largest group engaging in multiple activities in 25-34 year olds: a third (33%) of this group engaged in at least 11 of our list of 17 activities.

⁶² <http://stakeholders.ofcom.org.uk/market-data-research/media-literacy/medlitpub/medlitpubrssi/cdp/>

Figure 4.25 Breadth of internet use (number of internet activities undertaken)



Q10A: Which, if any, of these do you or members of your household use the internet for whilst at home?

Source: Ofcom Technology Tracker digital participation research, Q1 2010

Base: all home internet users (n=6946).

Consumers are increasingly using the internet to shop and save money

Consumers are increasingly likely to use the internet for money-saving purposes. Ofcom-commissioned research to examine the impact of the economic downturn shows that significant numbers of people are now more likely to take advantage of some of the money-saving opportunities online than they were 12 months ago (Figure 4.26).⁶³

Fifty-three per cent of those with broadband access reported that they were more likely to try to save money by purchasing goods and services online than they were 12 months ago. And the data suggest that consumers are more likely to use more sophisticated money-saving techniques online. Six in ten (61%) said they were now more likely to use price comparison websites (such as uSwitch, pricerunner and moneysupermarket.com) than they were 12 months ago, while nearly half (47%) of broadband users said they were more likely to use online vouchers and voucher codes.

⁶³ See section 1.1 for a more detailed look at consumers' communications habits during the economic downturn.

Figure 4.26 Consumers' agreement/disagreement on their use of online services



Q: How much do you agree or disagree... I am more likely to purchase goods and services over the internet than in shops in order to save money / I am more likely to use price comparison websites (such as uswitch.com or pricerunner.co.uk) in order to find the best deal / I am more likely to use vouchers from websites or emails offering money off goods and services.

Source: Ofcom-commissioned research

Base: all those with broadband access (n = 1554)

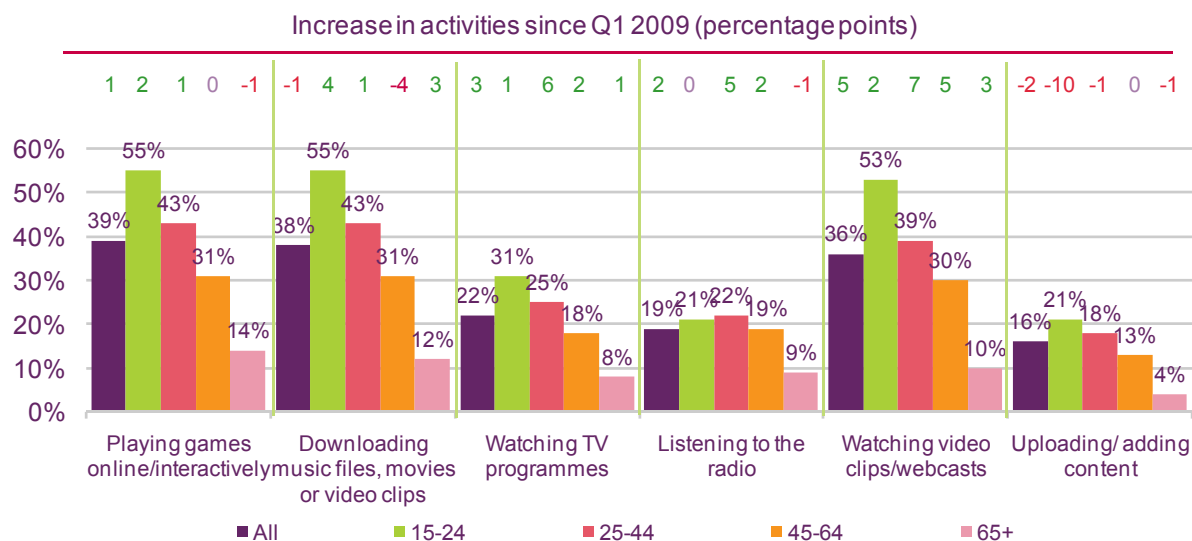
Online media content: playing games online is now as popular as downloading music and video

Playing games is now the most popular form of online media consumption (Figure 4.27). Thirty-nine per cent of internet users claim to play games online (38% in Q1 2009), compared to 38% who claim to download music and films online (39% in Q1 2009), the next most popular category. Among 15-24 year olds, the figure for both activities now stands at 55%, up from 53% for playing games and from 51% for downloading content since Q1 2009.

The only category that declined significantly was uploading and adding content. The only age group in which this figure did not fall since 2009 was 45-64 year olds, while the number of 15-24 year olds claiming to upload content fell by 10 percentage points.

Figure 4.27 Engagement with online media content, by age

% of households who use the internet for the following activities



QE10A: Which, if any, of these do you or members of your household use the internet for while at home?

Source: Ofcom research, Q1 2010.

Base: All adults who have the internet at home (n= 6163).

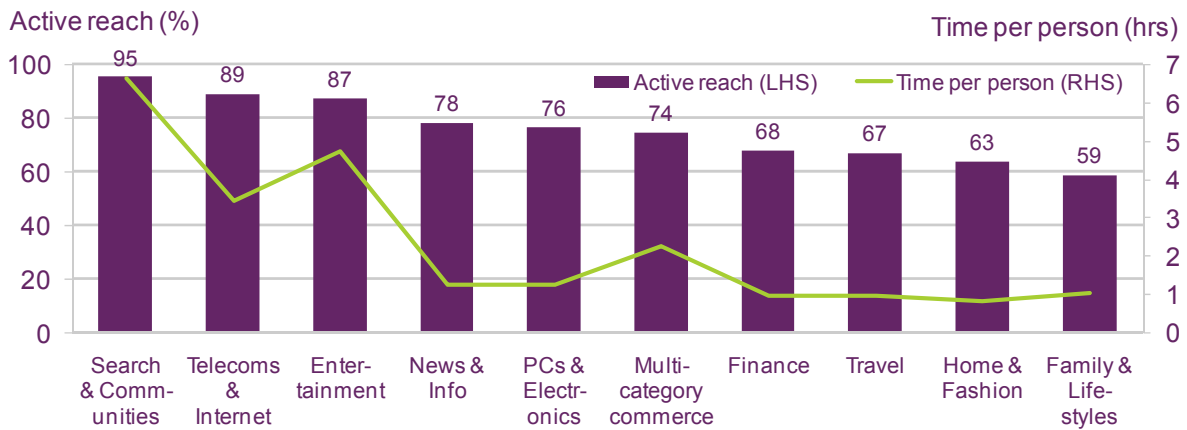
‘Search and communities’ is the most popular category of website

UKOM/Nielsen audience analysis organises websites into a number of different categories. The most popular category in May 2010 was ‘search and communities’ (this includes search engines, portals like Yahoo! and member communities like Facebook and MySpace). It attracted a monthly active reach of 95%, meaning that 95% of all unique internet users visited a site in this category. It was also the most popular category from the perspective of time spent per person, with the average person using sites in this category for nearly 6 hours and 40 minutes in May 2010 (Figure 4.28).

Other categories of sites had lower active reach and lower average time spent.

‘Entertainment’ sites (which includes most video and music sites) reached 87% of web users, who each spent an average of four and three-quarter hours on such sites, while ‘news and info’ sites reached 78% of users, who each spent around an hour and a quarter using these sites in May 2010.

Figure 4.28 Most popular site categories, by active reach



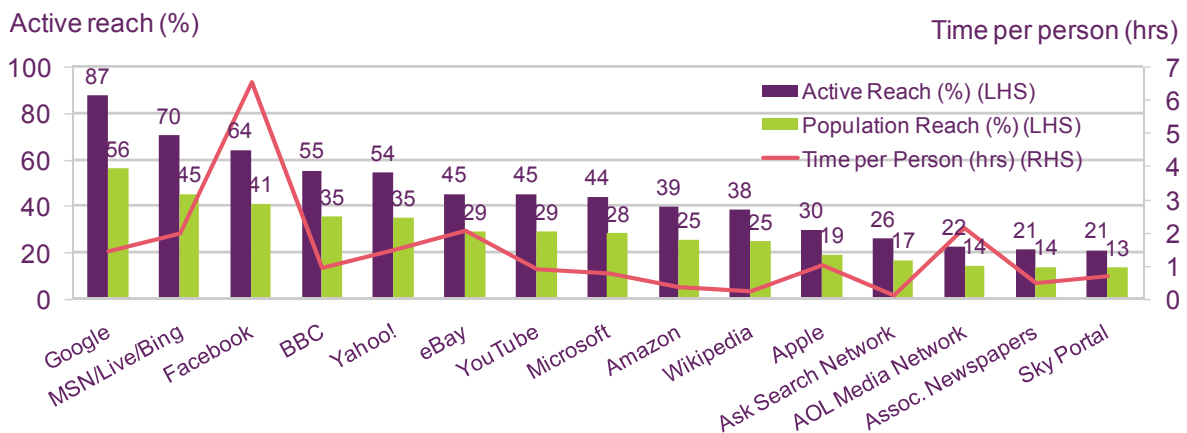
Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.
 Note: "active reach" = the percentage of all active 2+ unique persons who visited the site or used the application. 'Active' is defined as anyone who used an internet-enabled computer within the time period.

Google, Microsoft and Facebook are the most popular internet brands

Google has the highest reach of any online brand in the UK, with 87% of active users (someone who used an internet-enabled computer in May 2010) visiting a Google site in May 2010. This equates to 56% of the total UK population. MSN and Facebook were the next most popular brands, reaching 70% and 64% of all active users (45% and 41% of the population) respectively (Figure 4.29).

While Google is the leading brand in terms of reach, Facebook leads in terms of average time spent per person. The average user spent around 6 hours 30 minutes hours using Facebook in May 2010, compared to nearly 1 hour 30 minutes for users of Google, and nearly two hours for users of MSN services. This reflects the difference between Facebook (and similar communities) to sites such as Google and MSN. Facebook is a community where users tend to browse, check for updates and interact with others on a regular basis, whereas Google's main site is a search tool that performs a specific function.

Figure 4.29 Most popular online brands, by reach



Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.
 Note: "active reach" = the percentage of all active 2+ unique persons who visited the site or used the application. 'Active' is defined as anyone who used an internet-enabled computer in May 2010.
 "Population reach" = percentage of the total UK population a brand reaches.

The same top ten sites are popular across all age groups, differing only in order

There are few differences in the most popular websites across age groups. The same nine brands account for all the top ten sites across all age groups. The only major difference is in the order of the fourth to tenth sites in the list for each age group. For all age groups the top three sites are Google, Google Search, and MSN/WindowsLive/Bing (Figure 4.30).

The presence of the same brands across all age groups shows the increasing popularity of a relatively small number of large, general audience websites. Facebook, perhaps traditionally thought of as attracting a younger audience, is still the ninth most important site, by unique audience, among the over-65s. It also suggests that the age of an internet user may in some instances determine less *which* sites they use than *how they use them*, at least for the bigger sites.

Figure 4.30 Top ten sites by unique audience, split by age

Rank	2-17	18-24	25-34	35-49	50-64	65+	
1	Google	Google	Google	Google	Google	Google	
2	Google Search	Google Search	Google Search	Google Search	Google Search	Google Search	
3	MSN/WindowsLive/Bing	MSN/WindowsLive/Bing	MSN/WindowsLive/Bing	MSN/WindowsLive/Bing	MSN/WindowsLive/Bing	MSN/WindowsLive/Bing	
4	Facebook	Facebook	Facebook	Facebook	Yahoo!	BBC	
5	YouTube	Windows Live Hotmail	Yahoo!	BBC	Facebook	Yahoo!	
6	BBC	YouTube	BBC	Yahoo!	BBC	Google Maps	
7	Windows Live Messenger	Windows Live Messenger	Google Maps	Google Maps	Google Maps	Microsoft	
8	Yahoo!	Yahoo!	YouTube	eBay	Microsoft	Amazon	
9	YouTube Homepage	BBC	eBay	Microsoft	eBay	Facebook	
10	Google Image Search	eBay	Windows Live Hotmail	YouTube	Amazon	Wikipedia	

Key

- Google (ex. YouTube)
- Microsoft
- Facebook
- Yahoo!
- BBC
- YouTube
- eBay
- Amazon
- Wikipedia

Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.

Note: "Unique audience" = the total number of unique persons that have visited a website or used an application at least once in the specified reporting period. Persons visiting the same website or using the same application more than one time in the reporting period are only counted once.

Windows Live Messenger is the most popular internet application

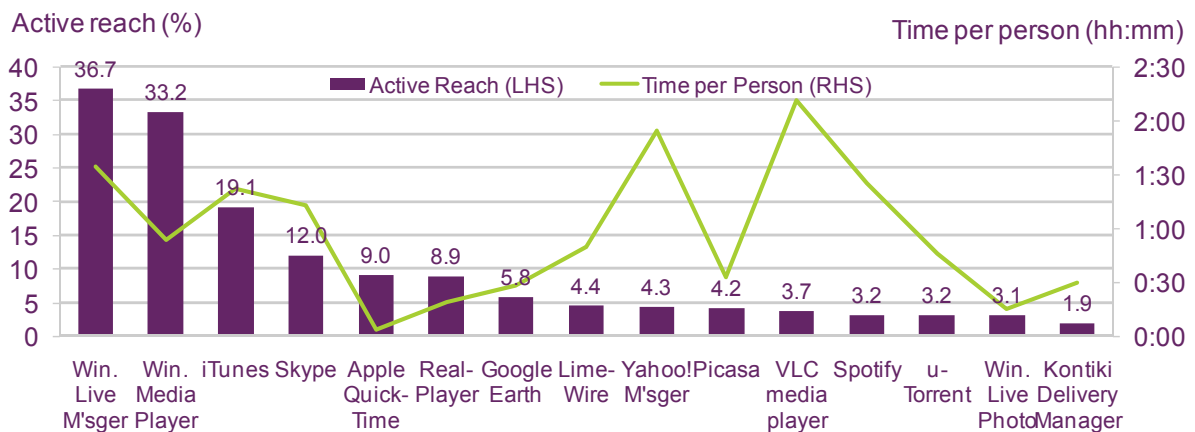
Although content is increasingly available streamed over the internet directly to web browsers, a significant amount is still delivered to consumers using standalone internet applications or clients. These are downloadable pieces of software providing access to specific media files or types of content, or that allow consumers to exchange files with one another directly rather than from a content provider's server. Many applications also allow content providers and/or consumers to manage the content they consume more effectively, both on- and offline.

According to UKOM/Nielsen, the most popular online application in May 2010 was Windows Live Messenger, Microsoft's instant messaging program, with an active reach of 37% in May 2010. This was followed by Windows Media Player (WMP), Microsoft's media suite that allows users to manage their digital media libraries (Figure 4.31). WMP had an active reach of 33% in May 2010. iTunes (Apple's media player) had the next highest reach at 19%, followed by Skype (a VoIP service) at 12%. The high reach of Windows Media Player can be

partly explained by the fact that it is the default media player on many Windows PCs, while iTunes' reach is helped by the fact that it is required for those who own an iPod or an iPhone.

Yahoo! Messenger and VLC media player had the highest average time per person of the top applications, with 1 hour 54 minutes and 2 hours 11 minutes respectively. But caution should be used in comparing time spent online, as these metrics are not always compatible. Time per person refers only to the application that is 'in focus' (i.e. the one to which keyboard and mouse activity is directed), and does not count minimised applications or applications running in the background. So applications that tend to require people to keep them in focus the whole time (such as video or messaging applications) will record higher time spent than audio applications which can run in the background.

Figure 4.31 Most popular internet applications, by active reach



Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.

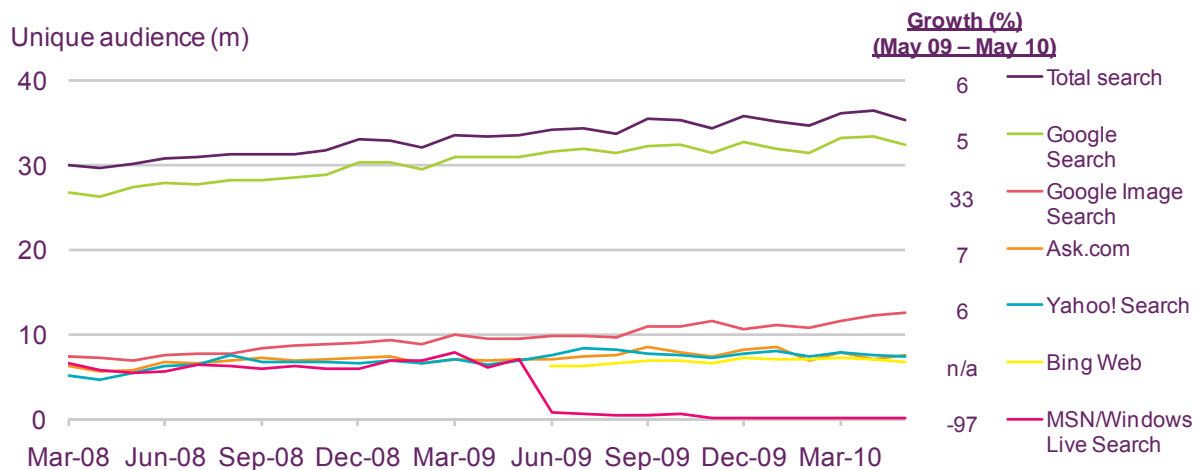
Note: "active reach" = the percentage of all active 2+ unique persons who visited the site or used the application. 'Active' is defined as anyone who used an internet-enabled computer within the time period.

Google's image search saw its reach grow by a third over the past year

The main way that consumers discover content on the web is via search engines. More than 35 million people visited a search engine in May 2010, an increase of 6% during 2009-10. Of the 35 million, 32.4 million visited Google search, an increase of 5% on May 2009 (Figure 4.32). The next most popular search engines, Ask.com, Yahoo! Search and Bing, recorded unique audiences of 7.6 million, 7.3 million and 6.7 million respectively.

Among sites for which data are available, the fastest-growing search engine over the past year was not one of Google's competitors, but Google Search's sister site, Google Image Search. Its audience grew by 33% between May 2009 and May 2010, compared to 5% growth for the main search site. This may indicate that consumers are increasingly searching for certain types of content – in this case images - rather than using a generic search. It may also be a function of improvements in the algorithms that search engines use that enable them to distinguish more accurately between different types of content. Most major search engines now include options to search for particular types of content such as video and, increasingly, audio.

Figure 4.32 Unique audience of leading search sites



Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.

Note: "Unique audience" = the total number of unique persons that have visited a website or used an application at least once in the specified reporting period. Persons visiting the same website or using the same application more than one time in the reporting period are only counted once. MSN/Windows Live search rebranded as Bing in May 2009.

Facebook is the most popular search term on Google

As the most popular search engine in the UK, search term data from Google provides insights into the sorts of content that UK internet users search for. Figure 4.33 shows the top ten most popular search terms and destinations for Google in the UK during 2009.

'Facebook' was the most popular search term, followed by 'YouTube'. This suggests that user-generated content is one of the most-searched-for content forms. Perhaps surprisingly, the eighth most popular Google search term is the word 'google'.

Facebook is also the third-most-popular destination from Google (i.e. the site that users click through to from Google). The most popular destination from Google, clients1.google.co.uk relates to the Google suggestion service which auto fills search queries as they are being typed. The second most popular destination is the English-language Wikipedia site. The latter probably reflects the fact that Wikipedia is for many people a first port of call for information.

Figure 4.33 Top 10 Google search terms and top 10 Google destinations

Rank	Search term	Rank	Destination
1	facebook	1	clients1.google.co.uk
2	youtube	2	en.wikipedia.org
3	bbc	3	www.facebook.com
4	hotmail	4	maps.google.co.uk
5	ebay	5	www.youtube.com
6	news	6	www.bbc.co.uk
7	games	7	news.bbc.co.uk
8	google	8	www.amazon.co.uk
9	you	9	www.google.com
10	yahoo	10	answers.yahoo.com

Source: Search terms – Google Insights for search, May 2010; destination urls – UKOM/Nielsen, home and work panel, May 2010.

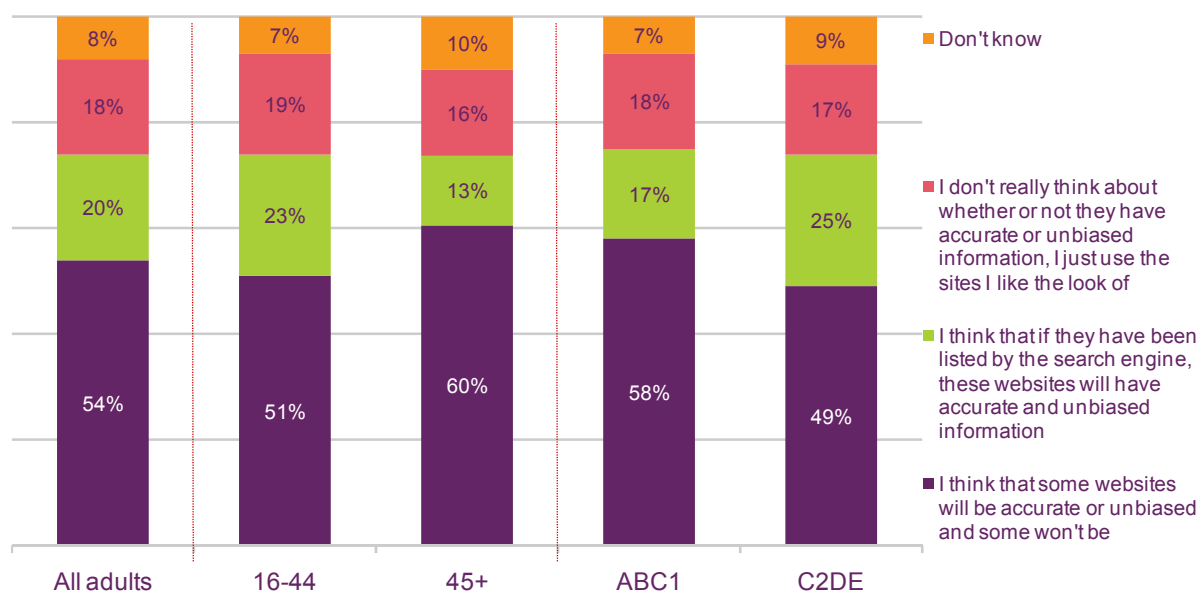
Consumers hold a range of views on the accuracy and impartiality of search engine results – and some are indifferent

Search engines provide a wealth of information to help internet users navigate the web. But unlike broadcast platforms, where there are rules relating to the impartiality of content, no such rules exist on the internet.

Ofcom's media literacy research shows that internet users have a mixture of views about the accuracy and bias of results returned through a search engine. Around half of search engine users (54%) claim that they make some sort of critical evaluation of the websites listed in search engine results. Those aged 45+ (60%) or in ABC1 social groups (58%) are the most likely to claim to make a judgement of this kind (Figure 4.34).

By contrast, a fifth (20%) of search engine users trust that the websites returned by the search engines will contain accurate and unbiased information. This is more likely among users aged under 45 (23%) and among users in C2DE socio-economic groups (25%). Across all ages and groups, around a fifth of users do not think about accuracy or bias; they simply use sites that they like the look of.

Figure 4.34 User attitudes towards accuracy or bias of search engine results



NIN46 – When you use a search engine to find information, you enter a query in the search box and the search engine will then show some links to websites in the results pages. Which one of these is closest to your opinion about the level of accuracy or bias of the information detailed in the websites that appear in the results pages? (Prompted responses, single coded).

Base: All adults aged 16+ who mostly use search engines to look for information on the internet (407 aged 16+, 252 aged 16-44, 155 aged 45+, 201 male, 206 female, 251 ABC1, 155 C2DE).

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in September to October 2009

4.3.3 Mobile internet use

Surfing the web is the most frequently-used mobile internet service

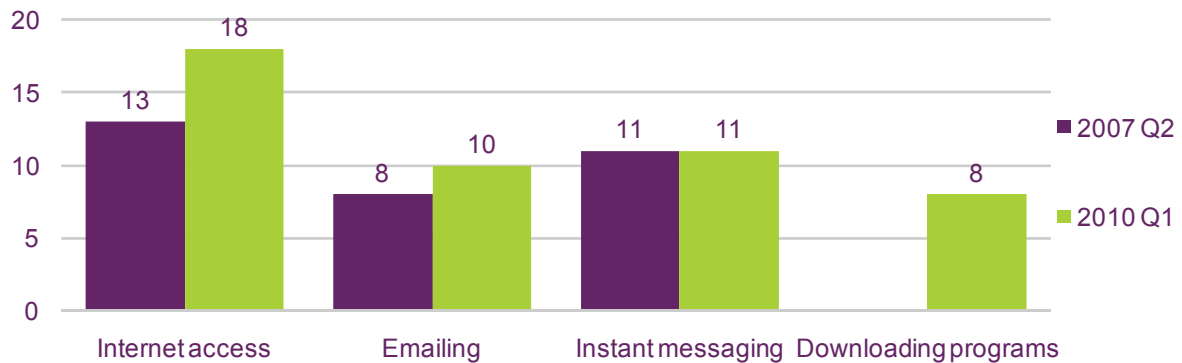
As a result of the growth of fast mobile data networks and increasing take-up of internet-enabled phones and smartphones, mobile content and data services are one of the fastest-growing types of web-based content. Mobile internet use has been given a particular fillip recently as a result of the growth in popularity of mobile applications.

We asked mobile users about which online services they accessed using their handsets and found that in Q1 2010 surfing the web was the most frequently-used service, with 18% of mobile users (equivalent to around 90% of mobile internet users) saying that they did this (Figure 4.35). This represented a five percentage point increase since Q2 2007, possibly a reflection of the introduction of more sophisticated handsets which make this a more user-friendly experience.

While the proportion of mobile users using their handset for instant messaging was unchanged, at 11% in the year to Q1 2010, the proportion of people who said they used email on their handset increased from 8% to 10%, again possibly due to the better integration of email on newer handsets. The growing popularity of downloading mobile programs (or 'apps') to mobile handsets was reflected by the fact that 8% of mobile users said that they did this in the first quarter of 2010.

Figure 4.35 Use of mobile data services

Proportion of mobile users using service (per cent)



QD9A: Which if any, of the following activities, other than making and receiving voice calls, do you use your mobile for?

Source: Ofcom technology tracker, Q1 2010.

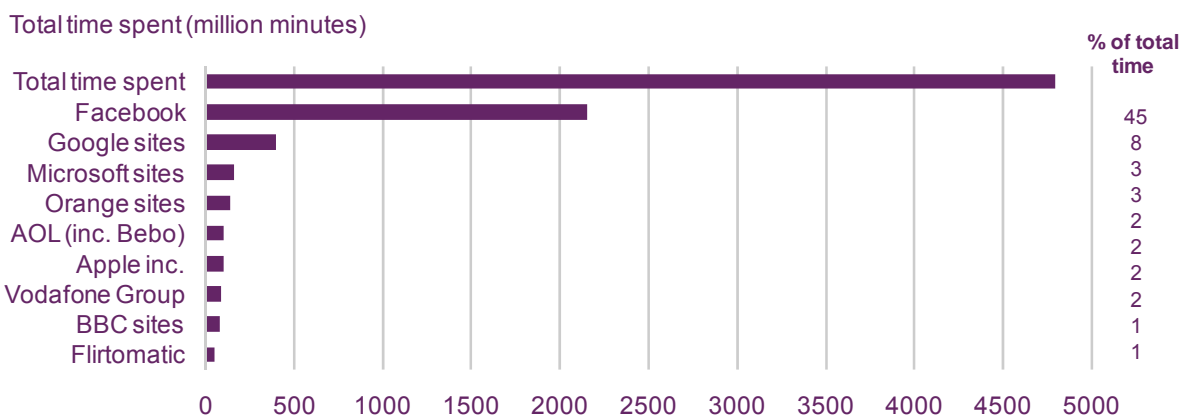
Base: All mobile users aged 15+ (n=7826).

Facebook accounts for 45% of total time spent using the mobile internet

According to GSMA mobile media metrics, UK mobile internet users spent nearly five billion minutes using the mobile internet in December 2009 (Figure 4.36). Facebook was easily the most popular mobile internet site in terms of time spent, accounting for 45% of total time spent online in December 2009. Google sites were the next most intensively-used, accounting for 8% of total mobile internet time.

Apart from Google and Facebook, no other mobile internet site accounted for more than 3% of total time spent online. Other sites in the top ten by time spent include the sites of mobile operators, for example Orange and Vodafone Group.

Figure 4.36 Top 10 UK mobile internet sites, December 2009



Source: GSMA mobile media metrics.

4.3.4 User-generated content

The internet is fundamental to the growth of user-generated content (UGC). The interactive and social possibilities of the internet, coupled with low publishing costs (for consumers at least), has allowed this type of content to flourish, and sets it apart from content delivered over other platforms. It has, in some areas, led to concerns about navigation, content quality, safety online and wider issues of media literacy.

UGC takes a variety of forms, but commonly includes blogs, photos, videos, audio applications and websites. Many sites also add social features and allow users to set up personal profiles. Some UGC websites specialise in a particular type of content (for example Flickr and Picasa which are dedicated to photos and photo sharing), while others allow people to aggregate several content types (social networking sites and blogs are a good example of this).

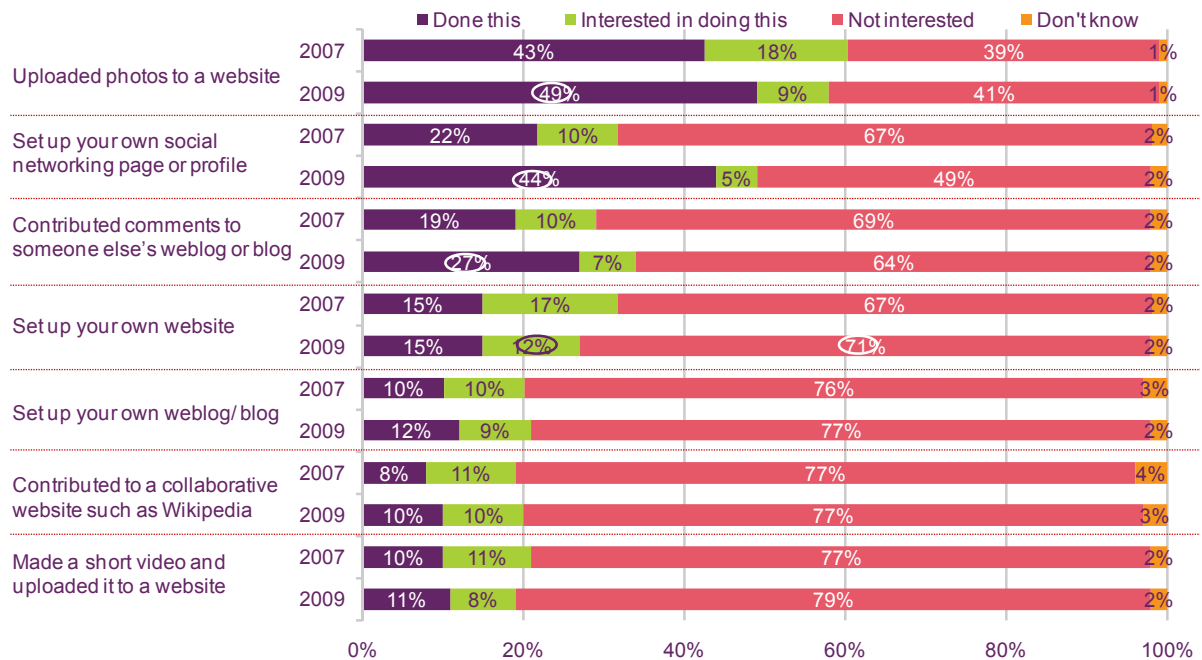
Apart from photo sharing and social networking, most internet users have little interest in UGC

Ofcom research into user-generated content shows that social networking and photo-sharing are very popular. But most other activities are minority pursuits that do not arouse much interest in the wider population of people with internet access (Figure 4.37).

Uploading photos to a website was the most popular form of content creation that internet users engaged in, with 49% (up from 43% in 2003) claiming to have done this; a further 9% of internet users expressed interest in doing this in the future. Social networking was the next most popular activity, with 44% claiming to have set up a profile (double the level of 2007), and a further 5% expressing an interest.

Among other forms of content creation, only commenting on blogs saw a significant growth in take-up between 2007 and 2009, from 19% to 27%. Most other types saw flat take-up and levels of interest, while the number of people expressing interest in setting up their own website fell from 17% to 12%. All activities except social networking and photo-sharing generated relatively low levels of interest (at least 64% of internet users indicated that they were 'not interested').

Figure 4.37 Experience of, and interest in, content creation



IN23A-I – I'm going to read out a number of things people might do online. Please tell me for each one I read out if you've done it, or you'd be interested in doing it, or not interested. (prompted responses, single coded)

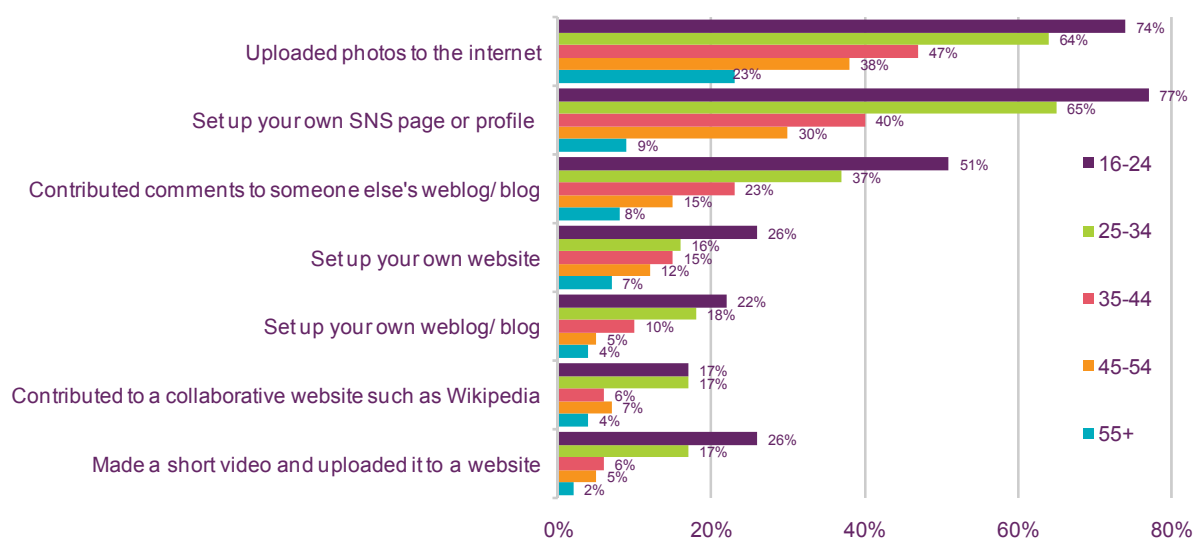
Base: All who use the internet at home or elsewhere (1723 in 2007, 1282 in 2009). Significance testing shows any change between 2007 and 2009.

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009.

Young people were most likely to have engaged in user-generated content activities online (Figure 4.38). For example, while a quarter (26%) of 16-24 year olds claimed to have made a short video and uploaded it to a website, only 2% of people aged 55+ with internet access make the same claim.

In general, the older an internet user is, the less likely they are to have experience of a given UGC activity. The exception to this rule appears to be contributing to collaborative websites such as Wikipedia; 25-34 year olds were as likely to have done this as 16-24 year-olds (17%).

Figure 4.38 Experience of creative activities, by age



IN23A-I – I'm going to read out a number of things people might do online. Please tell me for each one I read out if you've done it, or you'd be interested in doing it, or not interested.
 All who use the internet at home or elsewhere (1278 aged 16+, 238 aged 16-24, 268 aged 25-34, 295 aged 35-44, 209 aged 45-54, 268 aged 55+).
 Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September-October 2009.

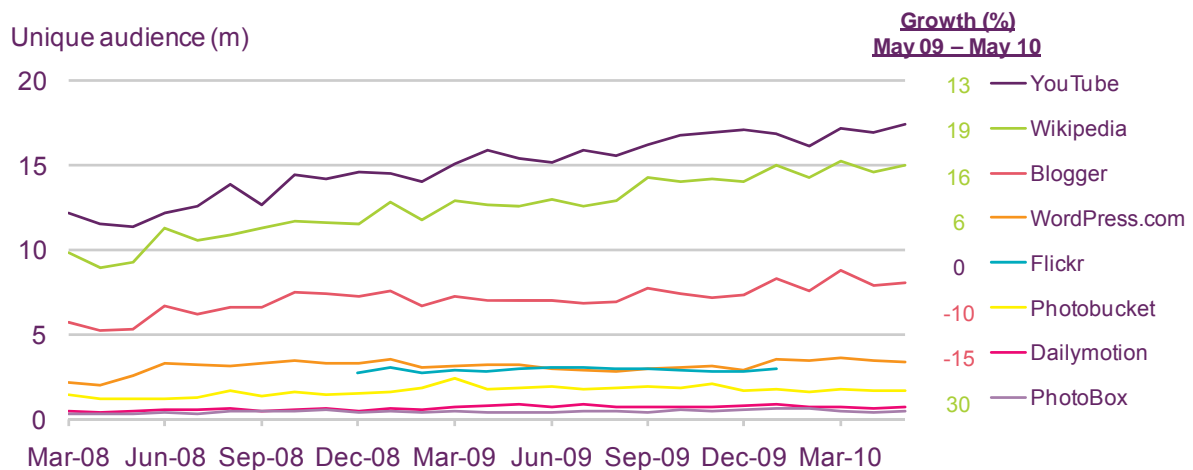
Audiences for many user-generated content sites continue to grow

According to data from UKOM/Nielsen, many UGC sites' audiences are growing steadily, although annual growth rates are falling. Figure 4.39 shows unique audience trends for selected UGC websites (note: social networking sites are not included – see Figure 4.3).

Photobox (30%), Wikipedia (19%), Blogger (16%) and WordPress.com (6%) all experienced solid growth in the year to May 2010, although audiences to Dailymotion (-15%) and Photobucket (-10%) fell. Dailymotion competes with YouTube, while some of Photobucket's decline may be due to users turning to social networking sites to store their photos instead.

YouTube remains the most popular video-sharing site, with nearly 17.5 million unique visitors in May 2010, an increase of more than two million in a year. But it is increasingly difficult to categorise YouTube purely as a UGC site, since it hosts a significant amount of professionally-produced content made available by film studios, broadcasters, record labels and other content providers. For example, in November 2009 Channel 4 made its 4OD catch-up and archive service available through YouTube, and in December 2009 Five made similar content from its Demand Five service available on the video-sharing site.

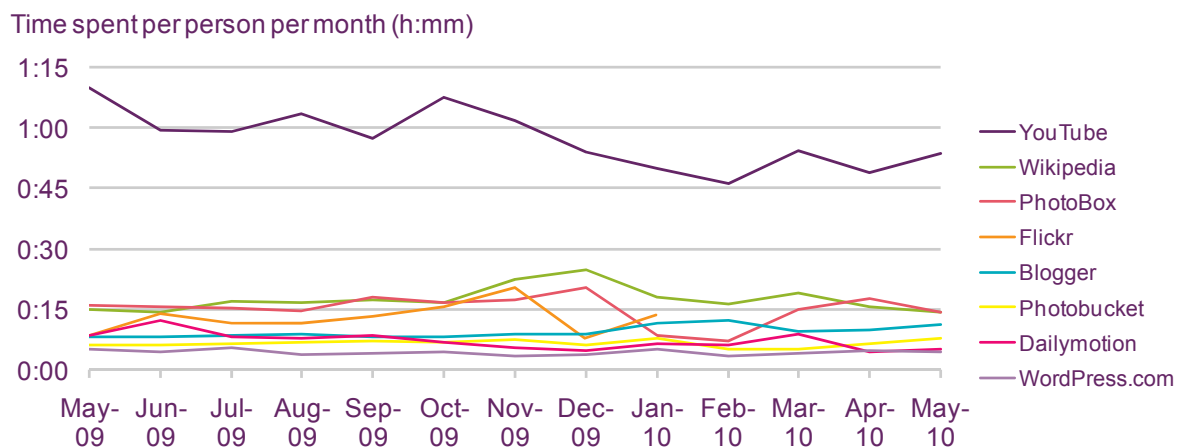
Figure 4.39 Unique audience of selected user-generated content sites



Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.
 Note: "Unique audience" = the total number of unique persons that have visited a website or used an application at least once in the specified reporting period. Persons visiting the same website or using the same application more than one time in the reporting period are only counted once.

For the UGC sites we consider, UKOM/Nielsen data shows that YouTube was the most intensively-used site (Figure 4.40). In May 2010 the average user spent 54 minutes per month on YouTube, compared to 15 minutes or less for the average users of the other sites that we looked at. Average time spent on YouTube appears to have declined throughout the past year, from a high of 70 minutes in May 2009 to 54 minutes in May 2009. This may reflect a more casual use pattern among later adopters of the site, and increasing video-sharing functionality on social networking sites such as Facebook and MySpace.

Figure 4.40 Time spent on selected user-generated content sites



Source: UKOM/Nielsen home and work panel, applications included, month of May 2010.

4.3.5 Concerns about the internet

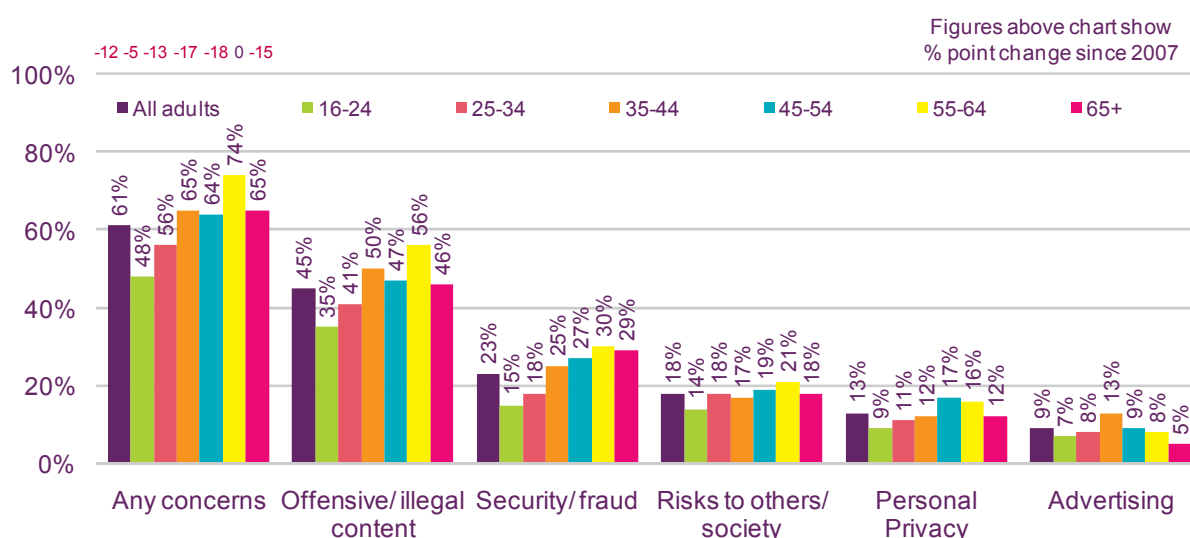
Six in ten internet users have some concerns about the internet

According to Ofcom media literacy research, just over six in 10 (61%) internet users have some concerns about the internet (Figure 4.41). Levels varied across age groups, from less than half of 16-24s (48%) to nearly three-quarters (74%) of 55-64s. The former may relate to greater familiarity with the internet among younger people (Figure 4.41).

The most prevalent concerns were those related to offensive and illegal content (mentioned by 45% of users) and those related to security and fraud (23%). Again, in both these categories 16-24 year olds were significantly less likely than users in general to have concerns.

Concerns about the internet have fallen since 2007 among internet users of all ages, except among those aged 55-54 where levels stayed the same. The overall numbers of people reporting any concern about the internet fell by 12 percentage points. The steepest falls in levels of people expressing concerns about the internet were among those aged 45-54 (18 percentage points) and those aged 35-44 (17 percentage points).

Figure 4.41 Concerns about the internet among users, by age



IN30 – Can you tell me if you have any concerns about what is on the internet? (Spontaneous responses, multi-coded).

Base: Adults aged 16+ who use the internet at home or elsewhere (1282 aged 16+, 225 aged 16-24, 235 aged 25-34, 313 aged 35-44, 213 aged 45-54, 168 aged 55-64, 128 aged 65+). Significance testing shows any differences between any age group and all adults aged 16+.

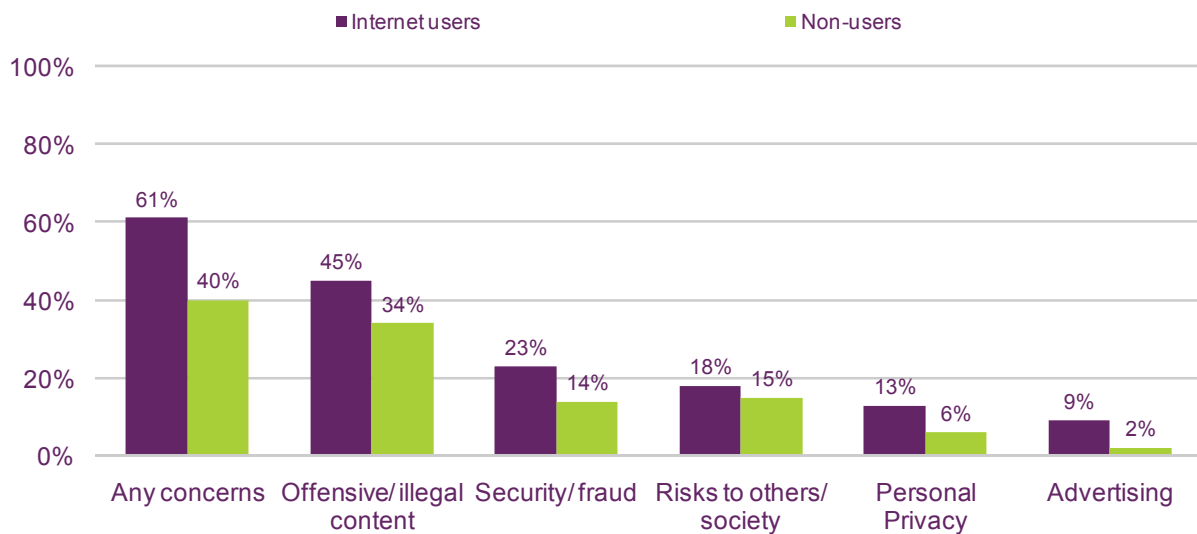
Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009

Internet users are more likely than non-users to have concerns about the internet

Internet users are more likely to express concerns about the internet than non-users (61% vs. 40%). Internet users were more likely to express concerns in all the categories we researched except 'risks to others/society' (Figure 4.42).

This suggests that the more people know about, and are aware of, the internet and its capabilities, the more they are likely to be aware of the risks involved in using it.

Figure 4.42 Concerns about the internet among users and non-users



IN30 – Can you tell me if you have any concerns about what is on the internet? (Spontaneous responses, multi-coded).

Base: Adults aged 16+ who use the internet at home or elsewhere (1282)/ who do not use the internet at home or elsewhere (542). Significance testing shows any differences between internet users and non-users.

Source: Ofcom research, fieldwork carried out by Saville Rossiter-Base in April to May and September to October 2009

Our children’s *Media Literacy Audit* found that while children have some dislikes associated with their use of media, relatively few children aged 8-15 have concerns about being exposed to media content that makes them “feel sad, frightened or embarrassed” or content that they feel is too old for them.

In terms of children’s attitudes towards the internet, around one in six children state that “it’s easier to keep things private or secret on the internet than it is in real life” (16%) with one in seven children aged 8-15 saying they “feel more confident online than they do in real life” (14%), or that “it’s easier to talk about personal things on the internet” (14%).