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AUSTRALIANS EMBRACE REGULAR ONLINE ACTIVITIES

The Australian internet service market is dynamic, characterised by continual innovation in internet service provider offerings, take-up of new access devices and increased consumer participation in the online environment, according to the latest ACMA research into the emerging digital economy.

The internet service market and Australians in the online environment shows that an increasing number of Australians are going online and using the internet more intensively. In the December quarter of 2010, nearly 15.1 million people aged 14 years and over (83 per cent) went online, up from 14.2 million during the same period in 2009. Approximately 71 per cent of internet users went online at least once a day, compared to 67 per cent at December 2009.

Across the household, business and government sectors at December 2010, there were nearly 10.4 million active internet subscribers in Australia using fixed and mobile (dongle, datacard, USB mode) wireless services, and 8.2 million internet subscribers using mobile phone handsets.

The increases in online activity demonstrate the growing importance placed on the internet as a facilitator of everyday social and economic activity,' said ACMA Chairman Chris Chapman. 'Australians are engaging with the digital economy more often, drawn to services such as online shopping, banking and social networking.'

In December 2010, approximately 7.4 million Australians accessed retail and auction websites, 8.4 million used social networking sites and 5.5 million accessed video streaming sites from home. Table 1 shows that the most visited e-commerce sites are eBay, Amazon and the shopping.com.au network. The growth of e-commerce is further reflected in ABS figures that show Australian businesses received nearly $143 billion in online orders during 2009–10, a 15 per cent increase over the 2008–09 period.

Table 1 Australians visiting selected retail/auction websites from home, December 2010

Site	Number of people accessing site (000s)
eBay	4,240
Amazon	1,698
shopping.com.au network	1,340
GetPrice	1,290
Lasoo.com.au	1,154
Big W	988
JB Hi-Fi	897
Harvey Norman	811
MyShopping.com.au	796

Note: Relates to home internet users aged two years and over. Source: Nielsen Online, December 2010.

Australians are accessing the internet in multiple ways, with increasing numbers using the internet *on the go*. While most people who go online do so via a computer (96 per cent during December 2010), increasing numbers are doing so via their mobile phone handsets—approximately 3.1 million Australians aged 14 years and over during December 2010 (compared to 1.9 million during December 2009).

The availability of internet services over mobile networks continues to grow. Mobile wireless subscriber numbers increased by 49 per cent in the 12 months to December 2010, while mobile phone handset subscribers increased at a comparable, but slightly lower, rate (21 per cent over the six months to December 2010).

However, mobile handsets are complementing rather than replacing the traditional computer, with 98 per cent of handset internet users also going online via a computer. This is reflected in the lower levels of handset internet subscribers who use a mobile phone rather than a computer for activities like e-commerce. Consumers appear to be using each access device according to a specific need and lifestyle requirement.

The growth in mobile internet services has not occurred at the expense of fixed-line access technologies, with ADSL (copper-based DLS, ADSL, ADSL2+ access technologies) subscriber numbers also increasing by seven per cent over the 12-month period. Fixed-line internet services continue to play a central role in driving the digital economy, accounting for the majority (91 per cent) of data downloads in Australia.

With developments in software applications, and ready and cheaper access to increased internet connection speeds, online Australians are accessing video and audio content in growing numbers. Bandwidth-heavy activities in particular are becoming increasingly common as more content is offered over the web through various services. These include user-generated content services such as YouTube, commercially produced content available through channels such as iTunes movie and BigPond Movies, and catch-up viewing services of television broadcasts such as the ABC's iView service (see Figure 1).

To support increasing content downloads and online activities, Australian are shifting to higher speed internet services—46 per cent of subscribers in the households sector now use services with an advertised maximum download speed of 8 Mbps or more, compared to 30 per cent at December 2009.

Convergence is also enabling consumers to use a wider range of electronic devices to access the internet. As well as increasing use of mobile phone handsets, more recently the marketplace has seen the entry of internet-enabled television sets, generating significant consumer interest. For example, at December 2010, 3.4 million people (18 per cent of the total population aged 14 years and over) were estimated to be interested in using their television to access the internet and 2.5 million (14 per cent) to make a video call.

The internet service market and Australians in the online environment was launched via webinar on 5 July to a diverse range of stakeholders and media. The report is available on the ACMA website. (Go to Publications & research> Research> The internet service market and Australians in the online environment)

Figure 1: Selected digital content activities undertaken online during December 2009 and 2010
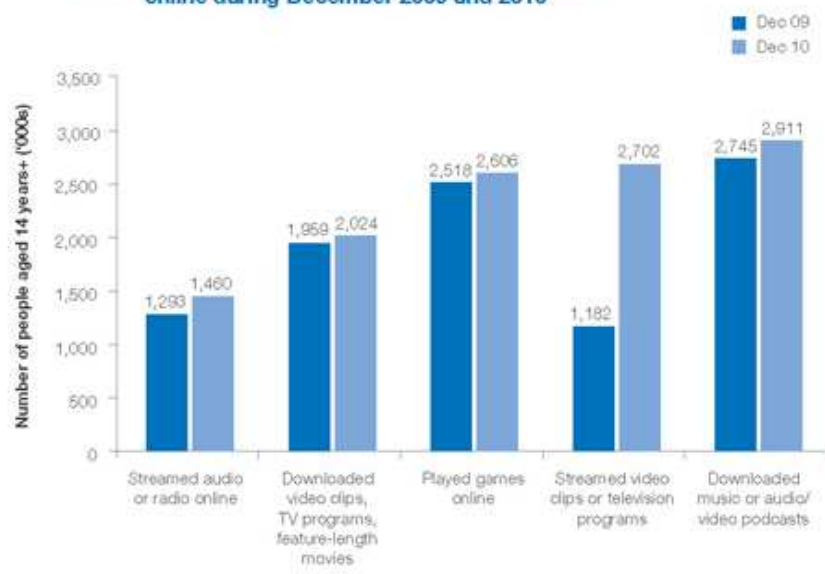
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