



Connect Ohio Technology Assessment

Executive Summary

June 2008

Key Findings

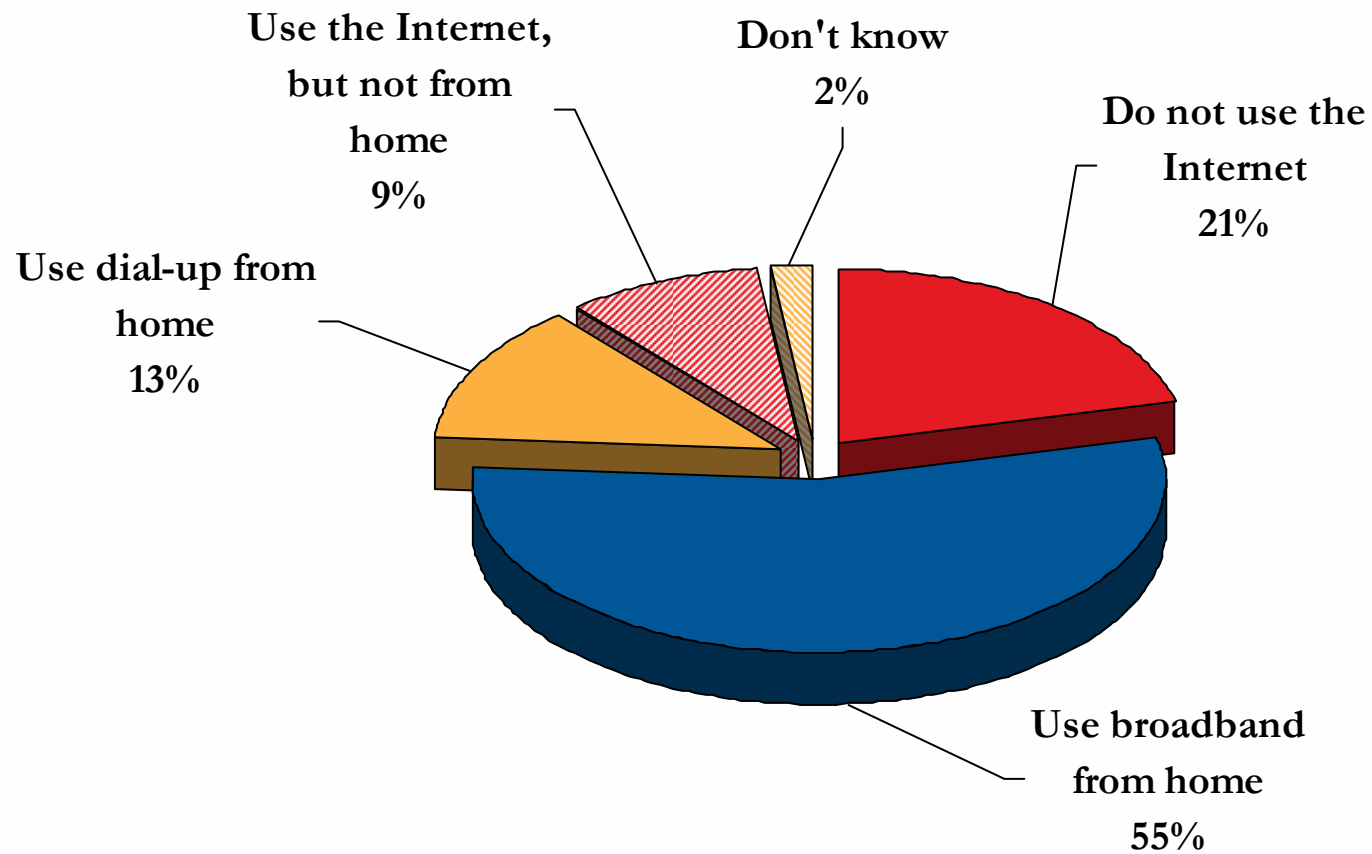
- **Statewide, 55% of Ohio adults subscribe to broadband service at home. The Pew Internet and American Life Project recently measured the national broadband adoption rate at 54%.**
- **In contrast, 92% of Ohio adults have broadband service available where they live. That leaves more than 350,000 Ohio households that cannot connect to broadband service from home.**
- **At the same time, 14% of households don't know that broadband is available where they live, indicating a lack of awareness about available broadband choices.**
- **Across Ohio, 96% of urban households have broadband service available to them, compared to only 79% of rural households. This lack of broadband availability is a barrier to adoption for rural homes – 18% of rural residents who don't subscribe to broadband say it's because it's not available. However, a much greater portion of them - 49% - say it's because they don't need broadband. Thus, even in rural areas, lack of demand is the largest barrier to adoption.**
- **The lack of demand for services is not limited to rural areas. More than one-half of all Ohio residents who do not subscribe to broadband service believe they do not need broadband, or feel that they do not know enough about broadband to benefit from it. This means there are currently almost 1 million Ohio adults who have the ability to subscribe to broadband but believe they don't need broadband.**

Key Findings

- **More than one-half of Ohio residents who do not own a computer believe they don't need a computer, and 14% of this group have children at home. Lack of a computer is the largest barrier to Internet adoption (dial-up or broadband) across Ohio.**
- **Currently 42% of employed Ohio residents use the Internet to work from home (during normal business hours or after hours), and another 24% of working residents would work from home if allowed to do so. Of note, 11% of retirees, 30% of non-working disabled persons, and 24% of all non-working Ohio residents would join the labor force if they could work from home.**
- **Sixty percent of all Ohio businesses use broadband service for their work.**
- **Among those businesses that do not subscribe to broadband, nearly one-half do not use a computer, and 31% believe they do not need broadband service. By contrast, only 6% say that the monthly subscription cost is a barrier to broadband adoption. Another 6% of Ohio businesses that do not have broadband service say it is because broadband is not available.**
- **Median annual revenues for Ohio businesses that use broadband are double those of businesses that do not subscribe to broadband.**

Ohio Technology Adoption Summary

Percent of Ohio residents who:



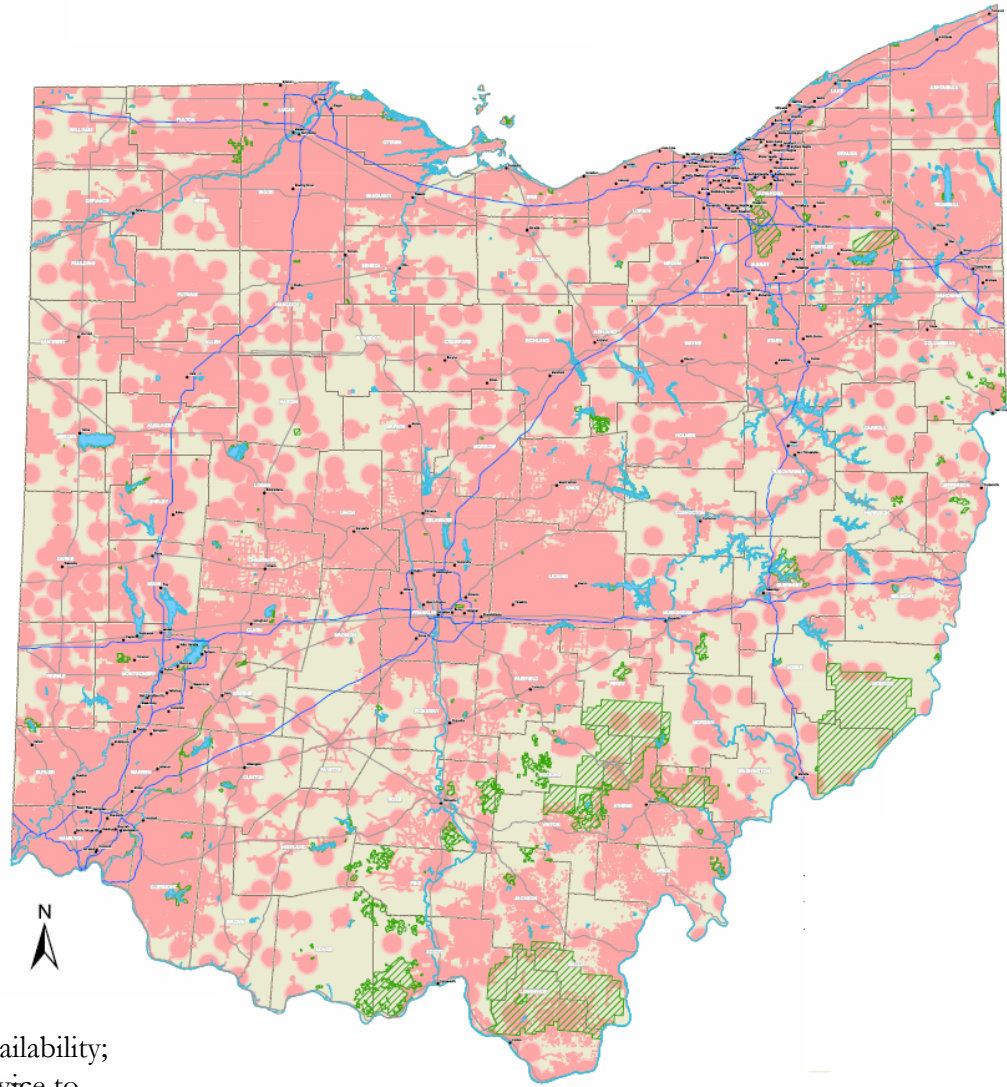
Q: Do you have an Internet connection at home?
(n = 1,200 OH residents)

Ohio Broadband Availability

92% of Ohio households have broadband available. Still, more than 350,000 households cannot connect to broadband from home.

Symbology

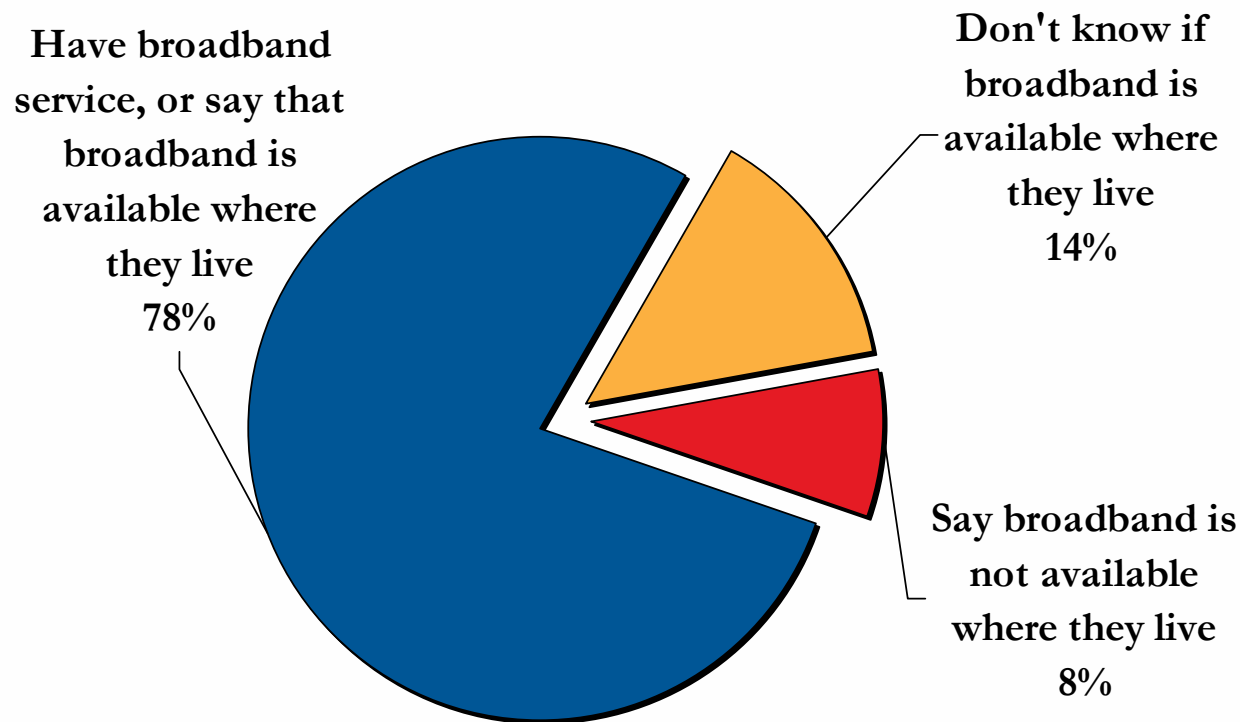
- . City
- Interstate
- US Road
- County Boundary
- Water
- National and State Lands
- Broadband Available
- Broadband Likely Available*
- Unserved Areas



*In these areas there is a strong likelihood for broadband availability; however, technology limitations in select areas may limit service to some homes. Submit questions to: maps@connectohio.org.

Perceptions of Broadband Availability in Ohio

Awareness of broadband availability among all Ohio residents:



While 92%* of Ohio residents have broadband available to them, only 78% are aware that broadband is available.




*2008 Connect Ohio Statewide Broadband Inventory Map.
Q: Is broadband service available in the area where you live?
(n = 1,200 OH residents)

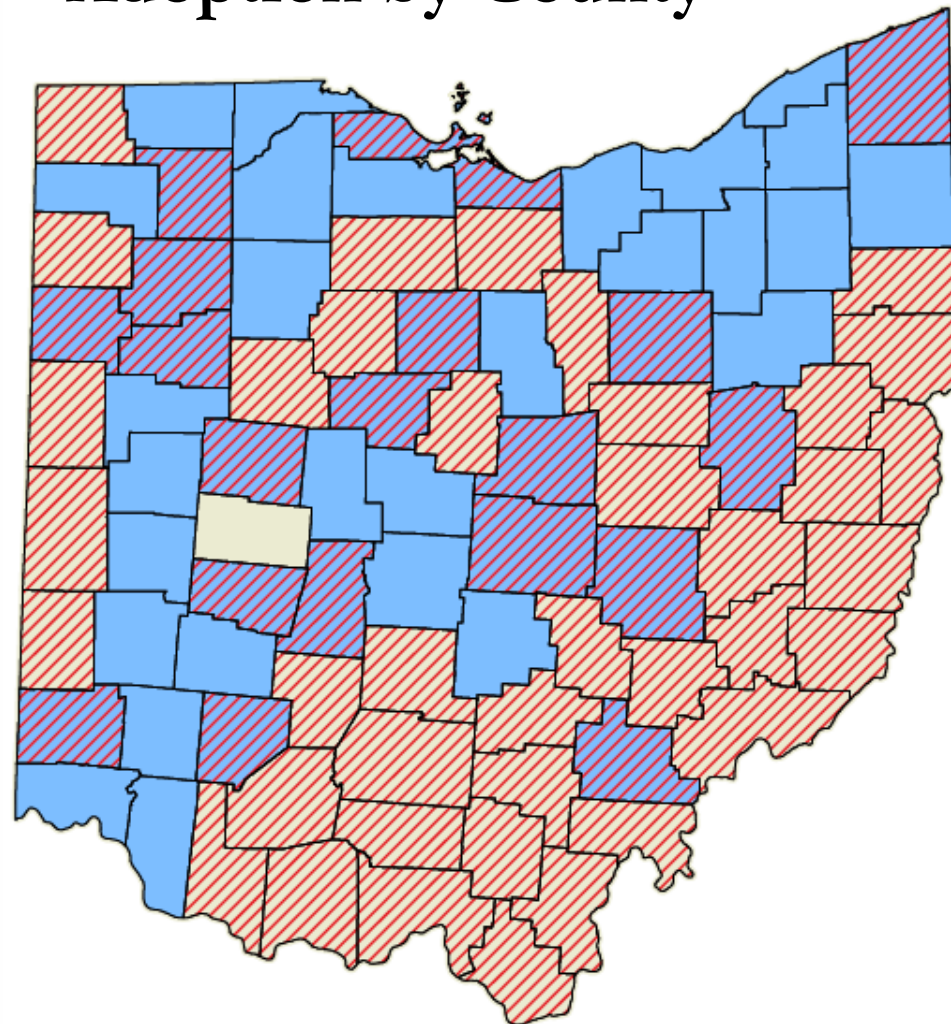
Broadband Availability and Adoption by County

Low broadband adoption is not limited to areas with low broadband availability.

92% of Ohioans have broadband availability, yet only 55% actually subscribe.

Legend

-  Lower Than Average Broadband Adoption (< 55%)
-  Higher Than Average Broadband Availability (>81%)
-  Higher Than Average Broadband Availability and Lower Than Average Broadband Adoption

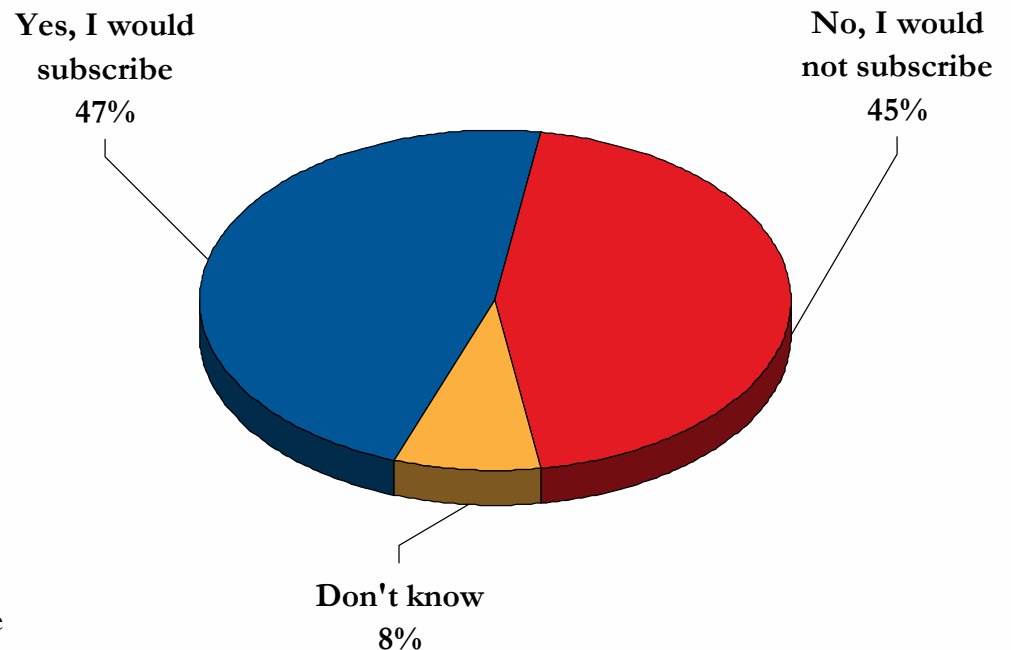


Lack of Availability as a Barrier to Broadband Adoption

Nearly one-half of Ohio residents who say broadband service is unavailable say they would subscribe if it were available.

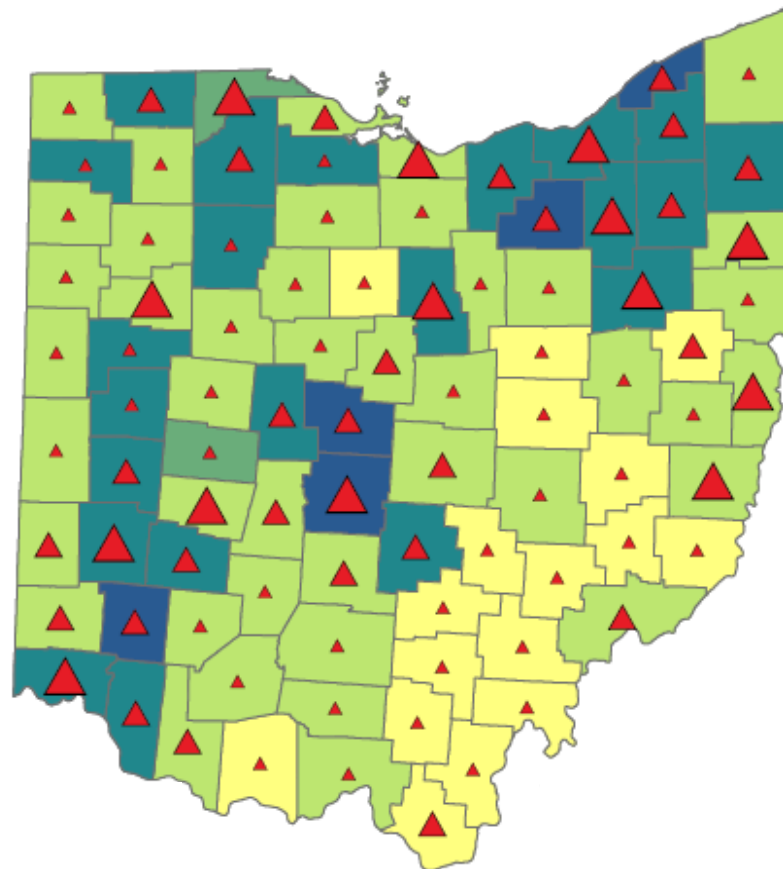
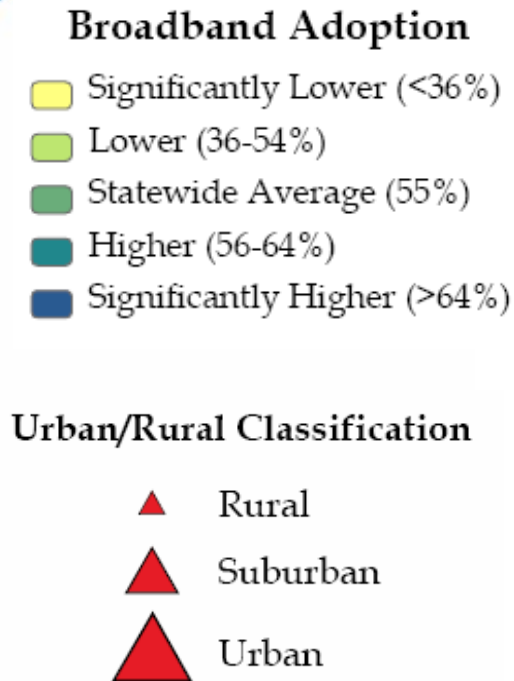
At the same time, the other half of these Ohio residents would *not* subscribe to broadband if it were available.

Among Ohio residents who say broadband service is not available where they live:



Q: Would you sign up for broadband service if it were available in your area?
(n = 95 OH residents who say broadband service is not available where they live)

Broadband Adoption by Urban-Rural Classification



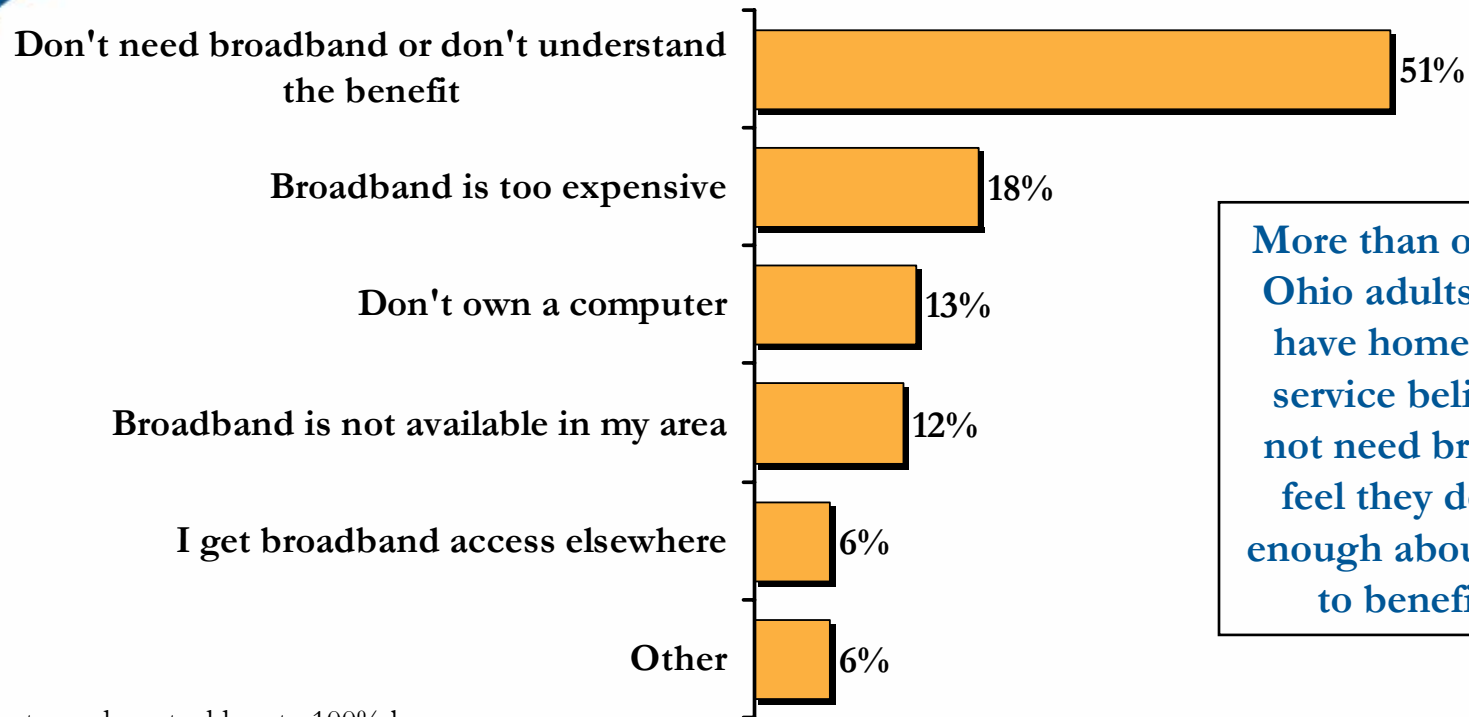
Across Ohio, 96% of urban households have broadband service available to them, compared to only 79% of rural households.

While 18% of rural adults who don't subscribe to broadband say it's because broadband is not available, and 17% say broadband is too expensive, a much greater percentage – 49% – say they don't need broadband.

Q: Which of the following describe the type of Internet service you have at home?
(n = 10,083 OH residents)

Barriers to Broadband Adoption

Among Ohio residents who do not subscribe to home broadband service:*



More than one-half of all Ohio adults who do not have home broadband service believe they do not need broadband, or feel they do not know enough about broadband to benefit from it.

*Percentages do not add up to 100% because respondents could give multiple responses.

Q: Why don't you subscribe to broadband Internet service?

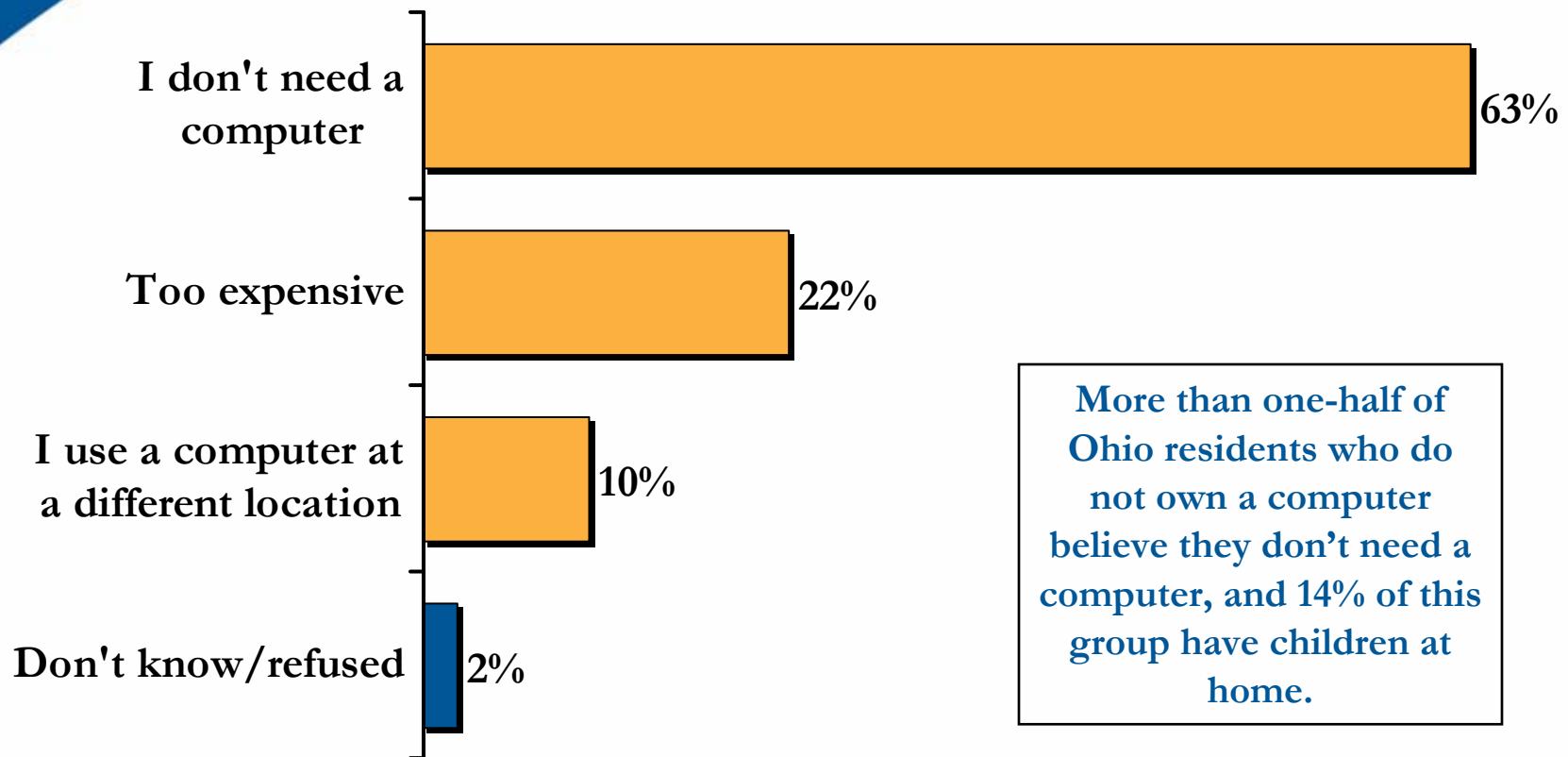
Or if broadband is not available:

Q: Why wouldn't you subscribe to broadband Internet service?

(n = 542 OH residents with no home broadband service)

Barriers to Computer Ownership

Percent of Ohio residents who do not own a computer:*



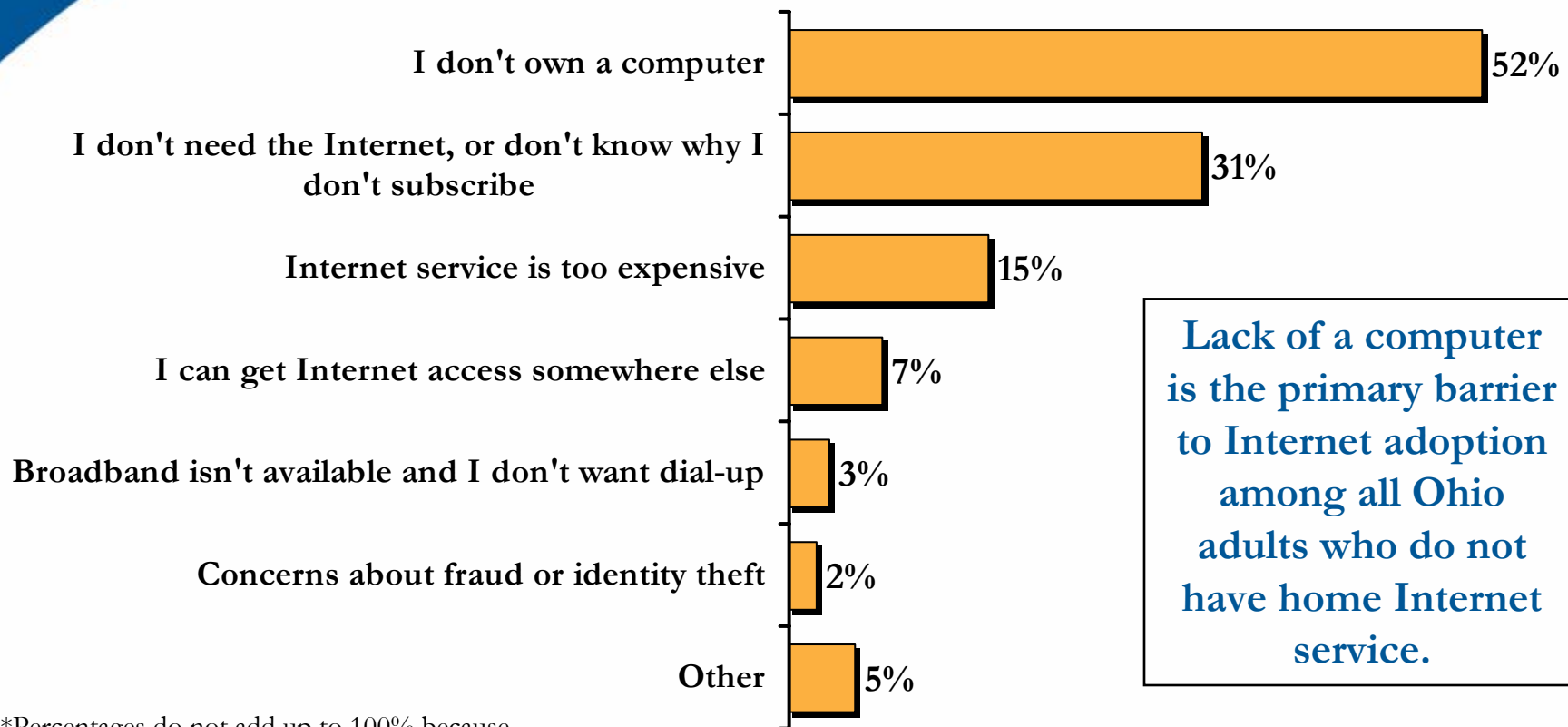
More than one-half of Ohio residents who do not own a computer believe they don't need a computer, and 14% of this group have children at home.

*Percentages do not add up to 100% because respondents could give multiple responses.

Q: Why don't you have a computer at home?
(n = 290 OH residents with no computer in their household)

Barriers to Internet Adoption

Among Ohio residents with no Internet (dial-up or broadband) connection at home:*



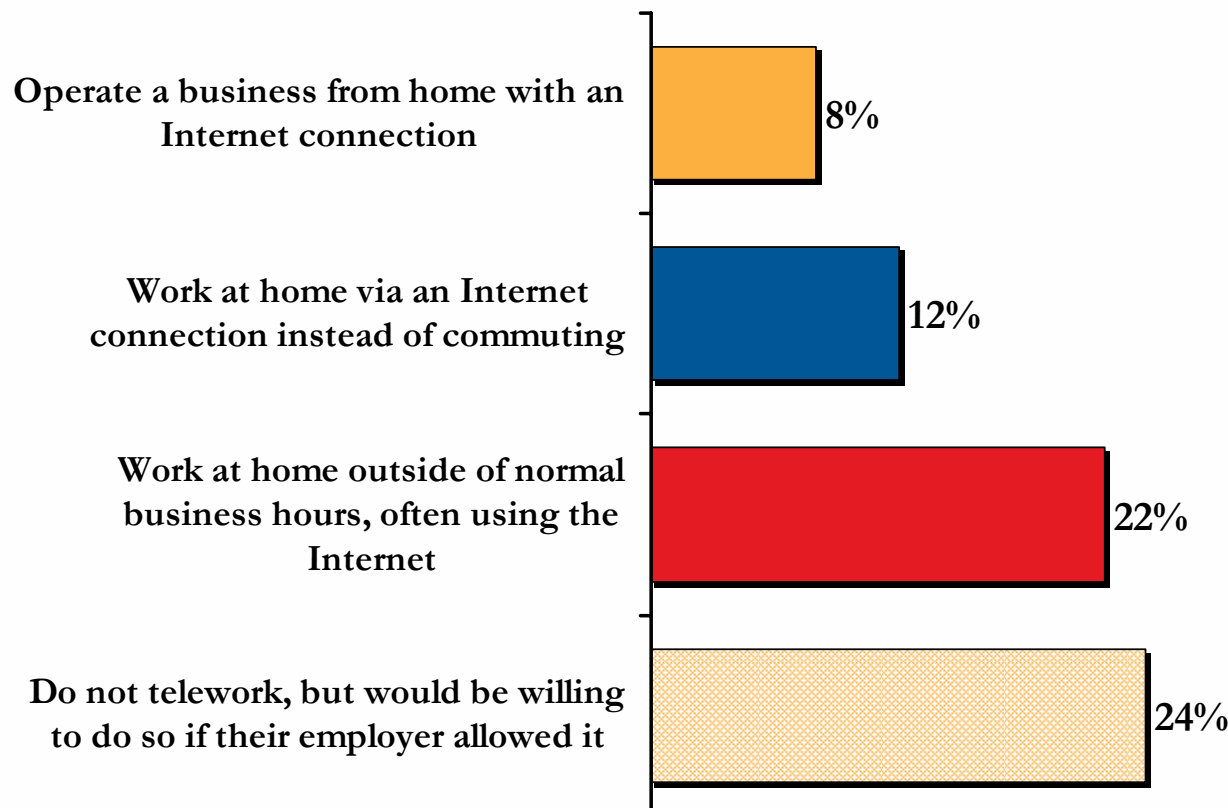
Lack of a computer is the primary barrier to Internet adoption among all Ohio adults who do not have home Internet service.

*Percentages do not add up to 100% because respondents could give multiple responses.

Q: Why don't you subscribe to the Internet at home?
(n = 356 OH residents with no Internet service in their household)

Ohio Residents and Telework

Among Ohio residents employed full- or part-time:



Currently 42% of employed Ohio residents use the Internet to work from home during business hours or after hours.

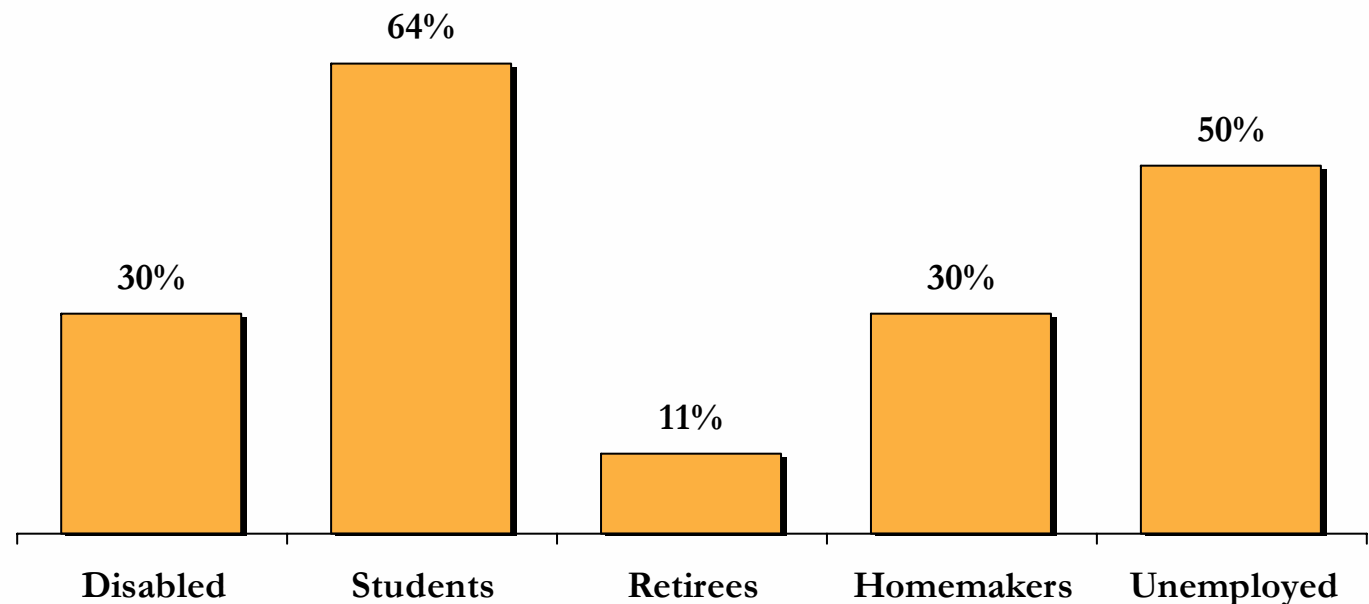
More than one-quarter (26%) of Ohio workers who say they use the Internet to work at home instead of commuting say they telework almost every workday.

Q: Do you ever do work from home related to your job or self employment?
(n = 729 OH residents employed full- or part-time)

Telework's Potential Impact on the Labor Force

Percent of Ohio adults who don't work, but would be likely to join the labor force if allowed to telework:

24% of all non-working Ohio adults would likely join the labor force if allowed to telework.



Q: If you were able to work from home through a broadband connection - commonly known as teleworking - how likely is it that you would work outside the home?
(n = 471 OH residents not employed full- or part-time)

Broadband Adoption Among Ohio Businesses

Percent of all Ohio businesses that have:

**Broadband
service
59%**

**Dial-up
service only
4%**

**No Internet
service
34%**

**Don't know
3%**

**Nearly 60% of all Ohio
businesses subscribe
to broadband service.**

Q: Which of the following describe the type of Internet access your company has?
(n = 807 Ohio businesses)

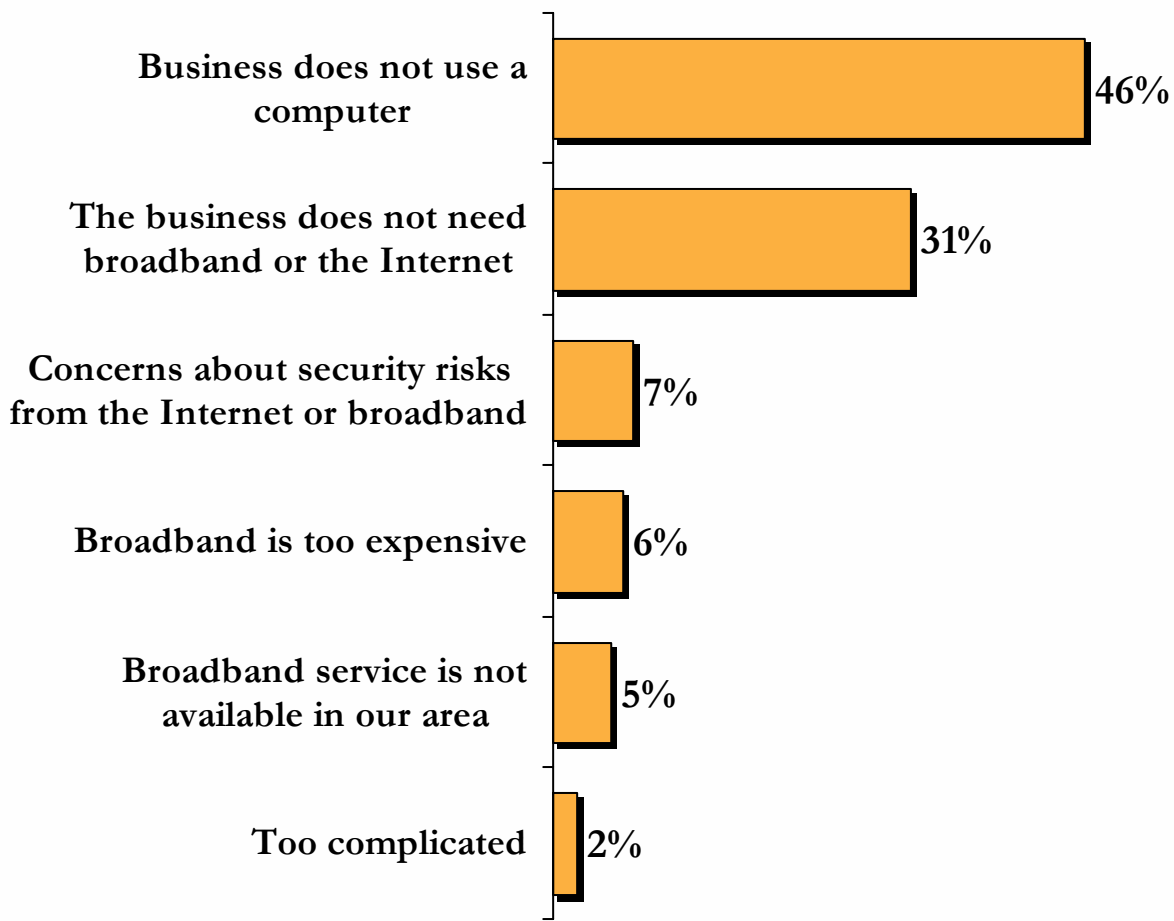
Barriers to Broadband Adoption

Percent of Ohio businesses that do not subscribe to broadband:*

Nearly one-half of Ohio businesses that do not use broadband service do not use a computer.

Another 31% believe they do not need broadband service for their business.

In contrast, only 6% believe that broadband service is too expensive.

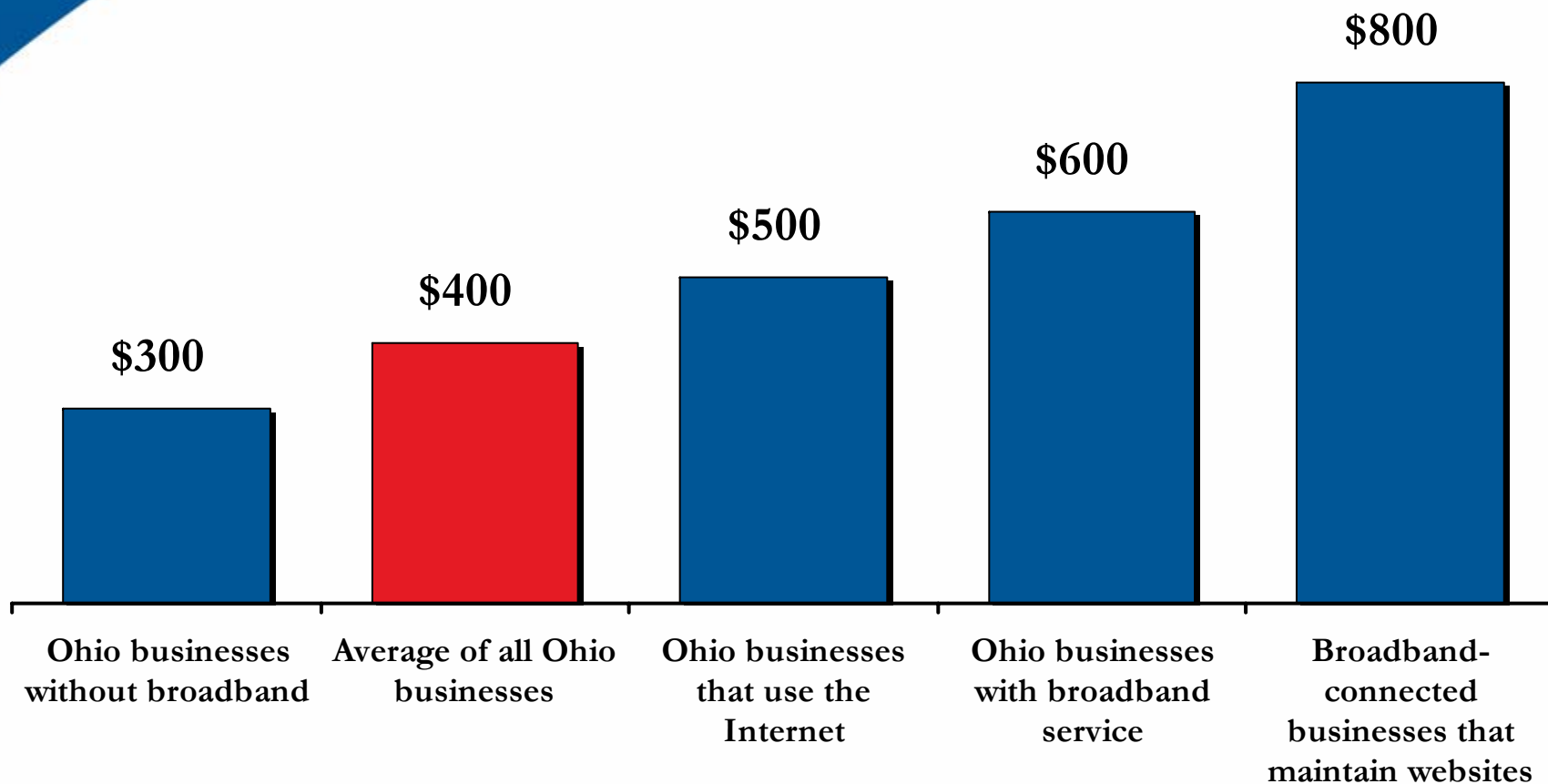


*Percentages do not add up to 100% because businesses could give multiple responses.

Q: Why doesn't your organization subscribe to broadband service? (n = 241 OH businesses that do not subscribe to broadband)

Technology Adoption and Business Revenues

Median Annual Company Revenue (\$000):

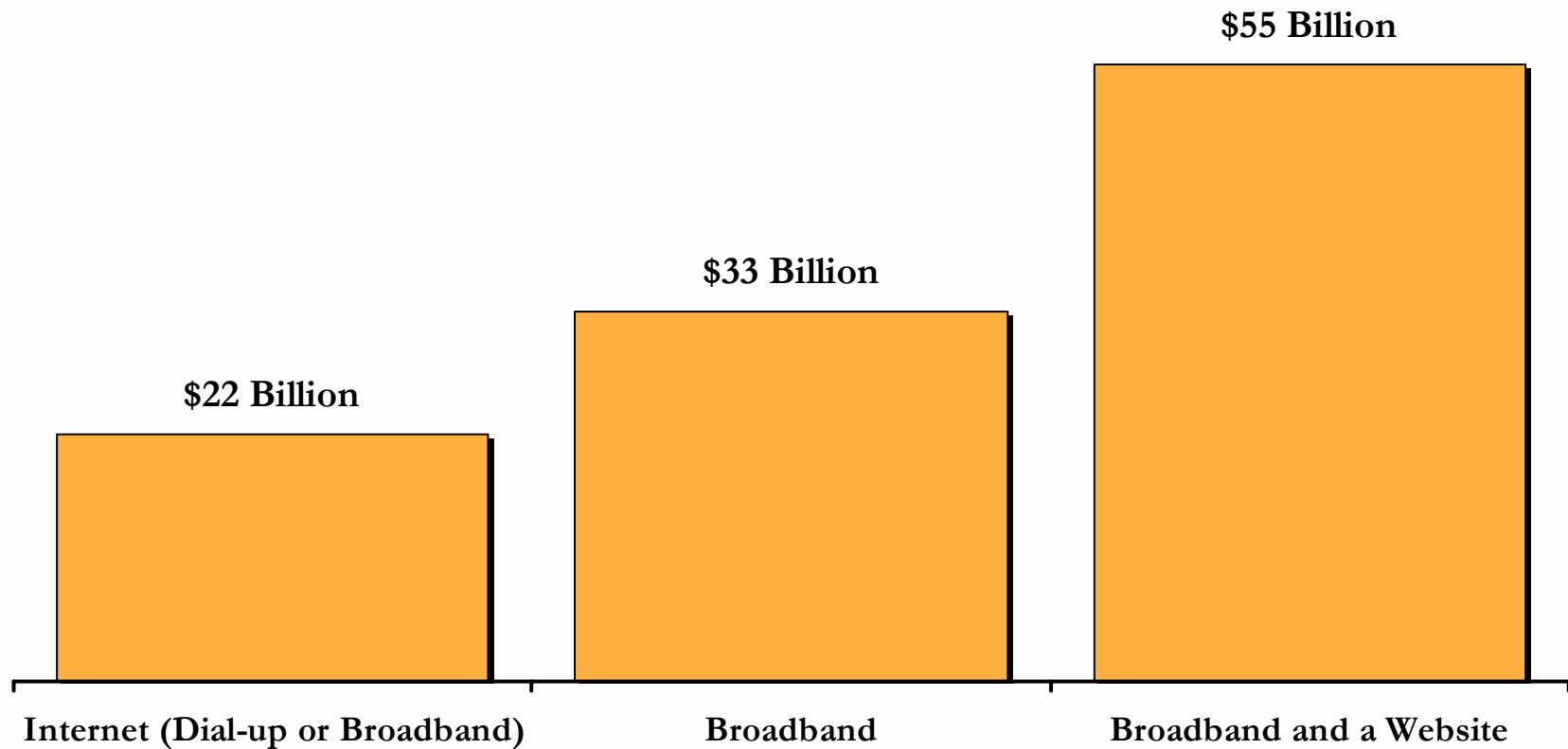


Q: What is your firm's approximate average annual revenue?
(n = 807 OH businesses)



The Potential Impact of Technology Adoption by Ohio Businesses

Estimated total revenue increase if all Ohio businesses without broadband were to adopt:



Q: What is your firm's approximate average annual revenue?
(n = 270 OH businesses that do not have broadband service)



Research Methodology

Residential Assessment Methodology

- Data were collected by telephone through live computer assisted interviews from a statewide random digit dial (RDD) sample of 1,200 households contacted between March 6 and March 15, 2008. Data were collected by Wilkerson & Associates of Louisville, Kentucky. www.wilkersonresearch.com
- The questionnaire screened to include only adults age 18 or older with quotas set by gender and age to ensure adequate representation of all adults in the state.
- Weights were applied to correct for minor variations and ensure that the sample matches the most recent U.S. Census estimates of the state's population by age and gender. Weighting and research consultation were provided by Lucidity Research LLC. www.lucidityresearch.com
- Sampling margin of error:
 - Statewide, full sample (n=1,200): $\pm 2.82\%$ at the 95% level of confidence.

Business Assessment Methodology

- The Connected Ohio Business Survey interviewed 807 businesses by telephone between March 5 and March 17, 2008. Data were collected by Wilkerson & Associates of Louisville, Kentucky. www.wilkersonresearch.com.
- The error interval is $\pm 3.4\%$ at the 95% confidence level.
- On average, once agreeing to participate in the survey, interviews lasted 10 minutes.
- Sample quotas were established by company size (4 brackets) and industry sector (8 sectors). Within these 32 cells, Dun & Bradstreet provided a random sample of businesses selected for the survey. This approach gathers enough interviews within size and industry sub-sectors to analyze the data with confidence.
- By weighting the survey data, the total sample is made to be representative of all employer business establishments, according to the U.S. Census Bureau County Business Patterns. Weighting and research consultation were provided by Lucidity Research LLC. www.lucidityresearch.com.



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