

# EXECUTIVE SUMMARY

## **Broadband in America: Access, Use and Outlook**

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The discussion surrounding how best to promote broadband Internet access in the United States relative to other countries persists, with compelling arguments mounting on all sides. The principal goal of this paper is to look beyond the issue of national rankings and examine broadband in America from the eyes of the US consumer.

The broadband debate until now has been decidedly macro in scope. But the decision to adopt broadband at home is largely decided by individuals and their households. This paper focuses on the micro underpinnings of broadband adoption - what individuals and households are doing and how they perceive the broadband landscape. While much of the broadband debate has focused on the US' relative position vis-à-vis other countries, this paper sidesteps that piece of the debate by centering squarely on US households. By doing so, this study is able to shed light on consumer perceptions of the following questions:

- Who has broadband, who doesn't, and why?
- What compels a household to subscribe to broadband at home?
- Does speed matter?
- How do consumers use the Internet at home and how does having a broadband connection impact usage?
- What is the inclination of households towards broadband adoption into the future?
- What is the outlook for consumer broadband in the US?

The findings of the study are clear. The prevalence of broadband in the home has grown significantly. For the first time, there are more households with broadband than without. Above and beyond broadband at home, access outside the home is also playing a vital role in the broadband story. Taken together, 72 percent of all adults either have broadband at home or regularly access a broadband connection outside the home.

Moreover, the findings of this study reveal that media-rich digital entertainment, content and services like online video and streaming audio play a central role in the decision to subscribe to broadband at home and a major motivation towards upgrading in the future. The study also clearly finds that greater facilities-based competition should help improve Internet connection speeds - a major catalyst for broadband adoption - and broadband subscription costs - a major deterrent to broadband adoption.