

IDAHO AT A GLANCE

Measuring Broadband II: Households

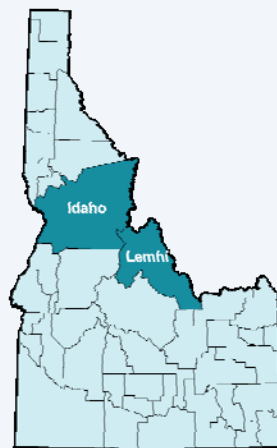
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Highlights

Nationally, 62% of all rural households subscribed to the Internet in 2010, compared to 73% of urban households.^a As more financial, public service, and other transactions occur online, rural households are disadvantaged by lower levels of Internet access related to availability, speed, and cost.

To learn about Internet use in rural Idaho, we surveyed a representative sample in Lemhi and Idaho counties (see "About the Survey," back panel). These two counties are typical of sparsely populated, mountainous areas in Idaho and thus provide insights into challenges related to rural Internet use.

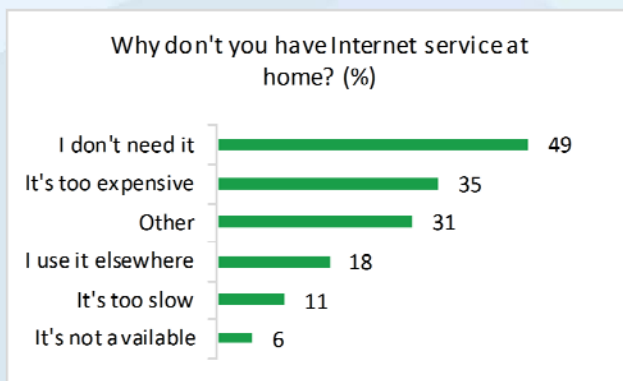
Our findings indicate that while most rural households in the Lemhi/Idaho region subscribe to the Internet and are satisfied with their providers, a sizable group has problems related to poor connectivity and slow speeds:



Study Region

- ◆ Roughly 80% of households subscribe to Internet service. Only 1% of all households do not have Internet access because they cannot get it.
- ◆ About 43% of households with Internet connect via DSL, followed by fixed wireless (17%) and satellite (15%). Although a large majority of subscribers have a high-speed connection, about 4% of households still connect to the Internet via dial-up service.
- ◆ Almost 70% of households are satisfied or very satisfied with their Internet service provider. Among those who are dissatisfied, 79% cite slow speed and 49% cite poor connectivity as problems.

Reasons for not subscribing

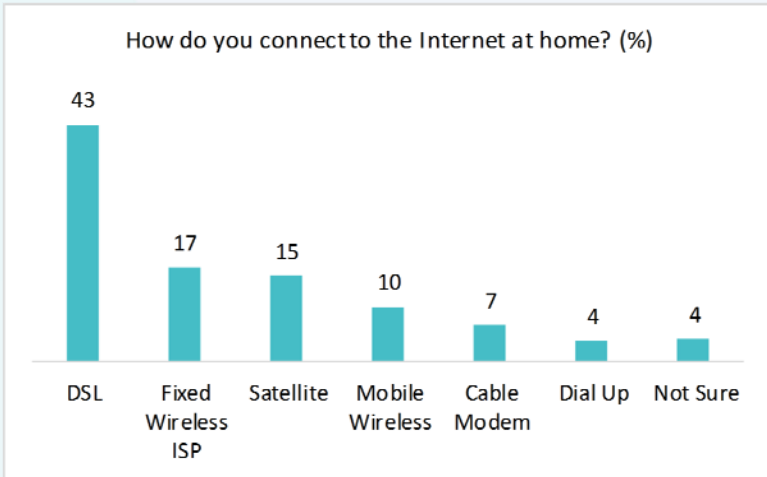


Almost 20% of households in the Lemhi/Idaho region do not have Internet service. Respondents' primary reasons for not having service are lack of need (49%) and high cost (35%). Only 6% of households without Internet service are in areas where access is unavailable.

Source: UI Household Internet Surveys, 2013.^c

Technologies used to connect

DSL is the most common type of Internet connection used by households in the study region, followed by fixed wireless and satellite. Although the vast majority of subscribers use a high-speed type of Internet connection, about 4% of households still use dial-up service. This is similar to the share nationwide: the Pew Research Center reports that 3% of American adults accessed the Internet at home via dial-up in 2013.^b



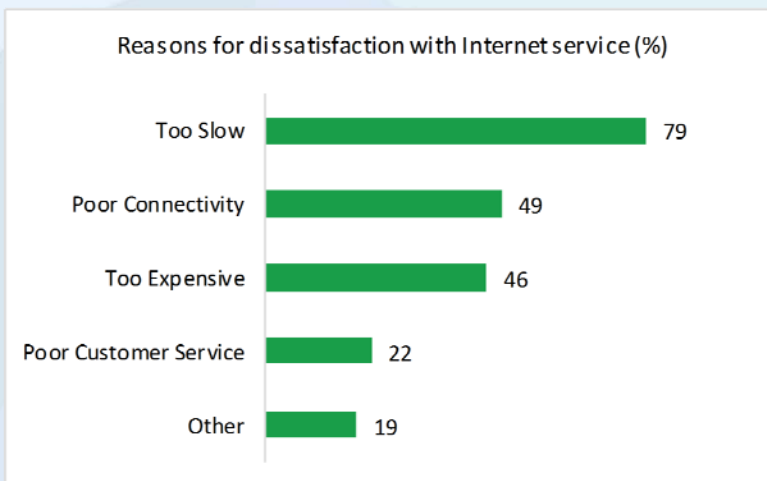
Source: UI Household Internet Surveys, 2013^c

Note: Respondents could select multiple Internet connection types, e.g. cable modem and mobile wireless, so total is more than 100%.

Types of Internet connections differ between the two counties. Nearly 70% of Lemhi County households connect via DSL. The next most common connection types include cable modem (14%), fixed wireless (13%) and mobile wireless (12%). DSL is also the most common choice in Idaho County, but only 32% of households are connected this way. Other common connection types in Idaho County include satellite (26%) and fixed wireless (25%).

Level of satisfaction with Internet providers

Almost 70% of households in both Lemhi and Idaho counties are satisfied or very satisfied with their Internet service provider. Of those who are not satisfied, 79% cite slow speed and 49% cite poor connectivity as problems, followed by high cost and poor customer service.

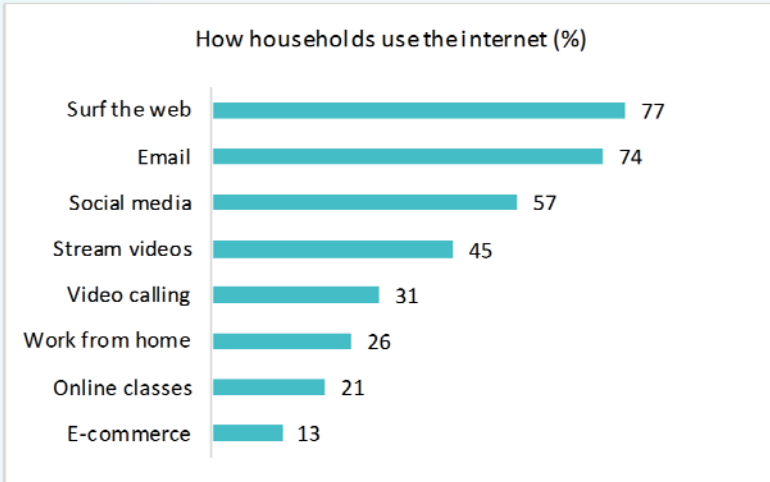


Source: UI Household Internet Surveys, 2013^c

Note: Respondents could select multiple reasons for dissatisfaction.

Surfing the web and email are the most common Internet activities

Most households in the study area use the Internet to surf the web (77%) and check email (74%). Many use the Internet for social media, such as Facebook and Twitter (57%), and to watch videos and movies online (45%). Fewer households use the Internet to take classes online (21%) or use e-commerce to sell products or services (13%).



Source: UI Household Internet Surveys, 2013 ^c

Over three-quarters of households are satisfied with their ability to use email and surf the web, but satisfaction declines as activities become more complex. For example, watching videos requires greater and more consistent bandwidth than using email or surfing the web. Only 32% of households with Internet are satisfied with their ability to watch videos online.

Home-based businesses are an important part of rural economies. About 19% of all households in the study region have a home-based business, and 71% of these home-based businesses require an Internet connection.

Very few households are willing to pay more for better Internet service

Households were also asked whether they would be willing to pay more for better Internet service. On a monthly basis, most people are willing to less than an additional \$10, and only 9% are willing to pay an additional \$25 or more.

Willingness to pay more for Internet service (%)	
	Percent
Less than \$10	78
\$10 - \$24.99	13
\$25 - \$39.99	4
\$40 or more	5

Source: UI Household Internet Surveys, 2013 ^c

Selected results from Lemhi and Idaho Counties ^c

	IDAHO	
	Idaho County	Lemhi County
INTERNET SERVICE		
Residents with service (%)	77	87
Bill bundled with other services (%)	39	66
Price paid for monthly service (%)		
Less than \$25	10	13
\$25—\$34	12	26
\$35—\$44	33	26
\$45—\$54	22	11
\$55—\$64	11	10
More than \$65	12	14
KNOWLEDGE, SATISFACTION & BEHAVIOR		
Know connection speed (%)	25	29
Satisfied or very satisfied with (%):		
Internet service provider	65	70
Ability to surf the web	71	81
Ability to stream video	26	39
Ability to use Internet to work from home	21	27
Ability to take online classes	16	18
Home businesses		
Households that run a home business (%)	17	20
Home business requires an Internet connection (%)	70	73
Public Internet use		
Use the Internet in public place (not at library) (%)	24	24
Use the Internet at a library (%)	11	9

About the survey

Results in this report are based on data from mail surveys conducted by the Salmon Valley Business Innovation Center (Lemhi County) and University of Idaho (Idaho County) in 2013. Households were selected randomly from an address list of all households in the two counties. The final sample included completed surveys from 438 households in Lemhi County and 568 households in Idaho County. Response rates for the mail surveys were 34% in Lemhi County and 38% in Idaho County. For estimates based on the combined sample, one can say with 95% confidence that the sampling error is no more than plus or minus 3%.

Idaho at a Glance is a series of reports designed to inform policy discussions on critical issues in Idaho. This report is the second in our series on broadband in Idaho. The analysis for this report was conducted as part of LinkIDAHO (www.linkidaho.org), a statewide initiative to expand broadband availability and adoption through state and regional planning, mapping service gaps, and capacity building. ^d

DATA SOURCES:

^a — USDA Economic Research Service, *Rural Broadband at a Glance, 2013 Edition*, 2013

^b — Pew Research Center, *Home Broadband 2013*, 2013

^c — University of Idaho, *Household Internet Surveys*, 2013

^d — LinkIDAHO Project: <http://www.linkidaho.org> and <http://www.idahodashboard.org>

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