



INFORMATION TECHNOLOGY

November 2002: The worldwide IT industry contracted by 2.3 percent in 2002, from a 20-year history of 12 percent annual growth. Growth will resume, at lesser rates, in 2003 and improve for several years, slowing again later in the decade.

- source: *IDC Research*

December 2002: Even as enterprise-scale IT investment has declined, small business (less than 100 employees) continues to upgrade. Globally, one fifth of the 76 million small businesses will generate three fifths of the \$200 billion total IT spending.

- source: *Access Markets International*

December 2002: US managers will need to fill over 1 million IT jobs in 2003, having laid off half a million in 2002. Tech support people have the most secure tenure. Companies employ more programmers than any other type of IT worker.

- source: *Information Technology Association of America*

PORTALS

December 2002: 93% of consumers worldwide rely on 4 search sources to find them shopping websites: Google, Yahoo, MSN, and AOL.

- source: *StatMarket*

December 2002: Yahoo! is buying the search technology provider Inktomi, and initially intends to use Inktomi's technology to enhance and diversify its offerings to its users within the Yahoo inventory. Yahoo has attracted 200 million unique users over the last six months, and has 100 million registered users throughout its properties worldwide. By year end 2002 it had 2 million paid subscribers to its services, and growth of the paid subscription model is a key goal.

- source: *Yahoo!*

[COMMENT: it is not yet clear what will happen to Yahoo's recently renewed agreement with Google to provide its ex-directory Web searches. Speculation is rife, but we tend to think Yahoo will continue to use Google for rest-of-Web searches, and will not waste its Inktomi technology in that arena, but rather will use it to pioneer innovations in its own internal, commercial universe.]

Newsletter

January/2003

Who's on The Web?

December 2002: Internet usage is in advanced stages of growth in the US, with 72% of the population having gone online at least once in the preceding month.

- source: *Ipsos-Reid*

December 2002: over 60% of Americans have online access, and 40% have been online over 3 years. The Internet has become a mainstream information tool. For health care information, services from government agencies, news, and commerce, about two-thirds of all Americans say that they expect to be able to find such information on the Web.

- source: *Pew Internet & American Life*

Healthcare

January 2003: The number of Americans visiting hospital and health plan websites has tripled in the past year. 10.3 million online consumers have used a hospital website in the past three months, and 38.5 million other consumers are interested in receiving information from a hospital website in the future. Approximately 77 percent of consumers visiting a health plan website stated that they had a chronic health condition.

- source: *Manhattan Research*

Shopping

November 2002: 93 percent of American Internet users have bought online.

- source: *Business Software Association*

December 2002: Nearly 20 percent of US Internet users have redeemed a coupon online

- source: *eMarketer*

January 2003: As predicted, Q4 online shopping showed a 40% increase over Q4 2001, at \$17.44 billion, for a yearly total of \$47.98bn.

- source *BizRate*

User Stats

November 2002: Of Web users worldwide, 46% have their monitor screen resolution set at 1024x768 pixels, while 34% are at 800x600, 13% use 1280x1024, and only 1% are now at 640x480.

- source: *OneStat.com*

[COMMENT: in case you wondered, this is important information for developers to track. Hunter and Associates currently builds a website no wider than 800 pixels, and we have no plans to change this.]

GOVERNMENT

November 2002: 88% of local elected officials use email and the Internet in the course of their official duties, and of those 90% use email at least weekly and 61% use it daily.

- source: *Pew Internet & American Life*

November 2002: 62% of respondents (88,000 people study) wished to be contacted in email dialog by major political organizations who shared their views. This adds to the long-standing speculation that more people would participate in the political process, if they were asked, or if they knew how to connect.

- source: *Penn Public Affairs*

November 2002: The US Government is the fourth most visited Web property, at 38.3 million unique visitors in October.

- source: *Nielsen NetRatings*

December 2002: Tourist and recreational information is the most sought-after content, attracting four-fifths of government-site users. And half of those who visit government sites have also gone to get health or safety information. The inference is that the government is seen as a dependable broker of such data.

- source: *Pew Internet & American Life*

BANKING

November 2002: Internet users are more likely to carry out a financial transaction online if a well known institution guarantees it. Retailers can most effectively reassure consumers that their transactions are safe by linking with either a well established offline institution or a familiar online one.

- source: *University of Buffalo*

November 2002: Banks wishing to boost adoption rates of online banking need to ensure that bill-paying services are the centerpiece of any online banking offering, rather than just an add-on service.

- source: *Celent Communications*

January 2003: Three-fourths of community banks are now offering Internet banking.

- source: *Independent Community Bankers of America*

[COMMENT: The banking industry has seen general failure of its attempts to enter online markets by diversifying into commodities such as insurance and financial services and instruments, but it is seeing general success at enhancing its existing, traditional services through online channels. Consumers seem unwilling to see banks dilute their trustworthiness with overtly commercial offerings. The great perception of trust accruing to banks has a tremendous market value. The trick will be for the industry to extend its trustworthiness in partner agreements with commerce and service industries without serious debacles occurring to taint that trust.]