

Internet piracy slows home subscription growth, reports Mintel

CHICAGO, US: Your neighbour may be borrowing more than just a cup of sugar ... according to a recent Mintel report, home Internet services saw revenues increase by only 3% over the past five years and Wi-Fi pirating could be part of the reason why.



Some 72% of consumers have Internet access at home, but only 56% report subscribing to home Internet service. The remaining 16% of consumers may be sharing a connection, stealing Wi-Fi from neighbours, using a mobile connection or they may be uncertain about where their Internet connection comes from.

"Home Internet penetration barely moved from 2006 to 2009. The slow growth in the era of Facebook, Pandora and YouTube shows that people are accessing the Internet from home through different methods, even if they haven't paid for access themselves," notes Billy Hulkower, senior analyst at Mintel. "Younger consumers appear especially likely to use a neighbour's Wi-Fi signal instead of subscribing at home as they are more likely to know how to find and connect to their neighbours' service."

They've got the money, but...

More disturbingly, the highest-income groups also appear more likely to pirate Wi-Fi than their lower income counterparts do. 20% of surveyed respondents from households with annual incomes more than US\$75 000 (about R525 000) have access to the Internet from home, but do not have a home Internet subscription.

Internet Devices & Access The use of cell phones and other mobile devices for Internet access at home more than doubled from 2005 to 2009. The use of laptop computers increased 150% over the same period, while the use of desktop computers was relatively unchanged.

Meanwhile, how people access the Internet has also gone through a metamorphosis. Dial-up Internet access is barely hanging on, as 9% of survey respondents still use it, but cable modem and DSL lead the Internet connection pack with 44% and 38% of home Internet users, respectively.

"Laptops, netbooks and mobile devices will soon dominate, even in the home," adds Hulkower. "The opportunity for future-

oriented home Internet providers is to make home networks integrate seamlessly with portable and mobile devices."

For more, visit: <https://www.bizcommunity.com>