



Texas Goes Mobile: Mobile Broadband Adoption and Satisfaction Across Texas

March 20, 2012



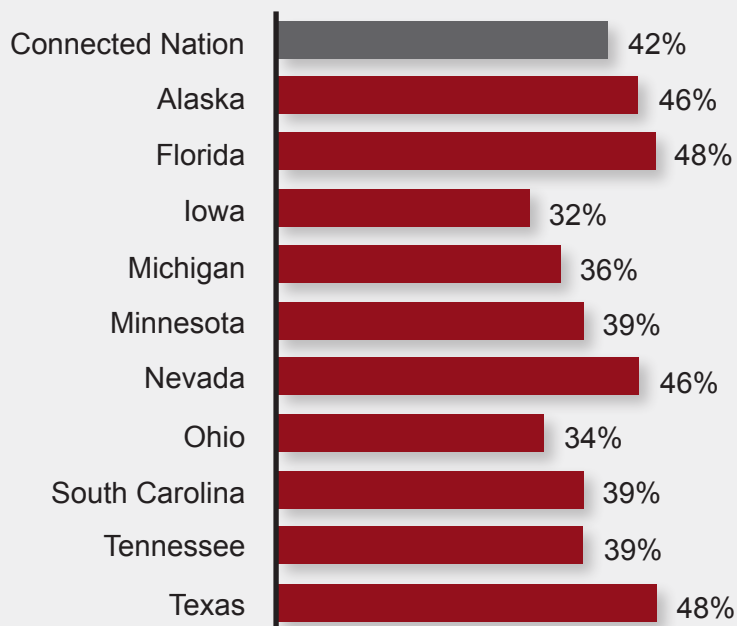
Although the sluggish economy has taken a toll on a number of American industries, one particular sector continues to shine nationally: mobile broadband technology. According to a recent report from the Brookings Institute, smartphone installation is currently growing at about three times the rate of personal computers, and globally, mobile broadband will soon comprise approximately four out of five broadband subscriptions.¹

Since mobile broadband is becoming such an important piece of the technology adoption puzzle, Connected Texas wanted to explore how Texans are going online with their mobile devices. Connected Texas research shows that a growing number of Texans are relying on their mobile devices to connect to the Internet for a variety of uses.

Mobile Broadband Usage in Texas

Across Texas, nearly one-half (48%) of adults use a mobile service to connect to the Internet (Figure 1).² This means that approximately 8.9 million Texas adults either use their cell phone to go online or subscribe to a mobile service that allows them to access the Internet through a cellular network on their laptop or tablet computer. Along with Florida, the state of Texas has the highest usage among any state surveyed by Connected Nation.

Figure 1.
Mobile Broadband Usage



¹ West, Darrell M.; "Ten Facts about Mobile Broadband," Released December 8, 2011. http://www.brookings.edu/papers/2011/1208_mobile_broadband_west.aspx

² Q: Which of the following describe the type of Internet service you have at home?

Q: When you are at your home, which of the following devices do you use to access the Internet?,

Q: At what locations outside of your own home do you use the Internet?,

Q: On your laptop or tablet computer, do you subscribe to a mobile wireless service that allows you to access the Internet through a cellular network?, and

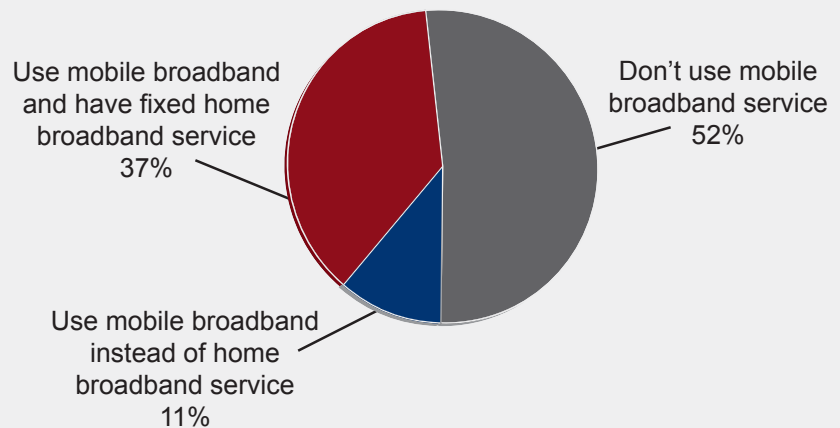
Q: How often, if ever, do you go online using your cell phone?

Among the findings from this survey:

- Statewide, **48% of adults** (approximately 8.9 million Texans) use mobile broadband to connect to the Internet. This includes Texans who use the Internet on their cell phone and who subscribe to a mobile service for their laptop or tablet computer.
- Across Texas, **11% of adults** (representing approximately 2.1 million Texans) subscribe to mobile broadband instead of home broadband service, with larger shares among low-income and minority populations. This includes approximately 932,000 Hispanic, 294,000 African American, and 634,000 low-income Texans.
- Nearly **15.3 million Texas adults** (84% of adult Texans) own a cell phone, and the majority of those cell phone owners (56%) subscribe to a mobile Internet service that allows them to access the Internet on their cell phones. About 5 million of those Texans say they use their cell phone to go online every day.
- Communicating through e-mail or similar ways of messaging is the most popular use of broadband services on cell phones, used by **82% of Texas adults** who go online via their cell phones.
- **More than one-half (53%)** of Texans who access broadband via their cell phones are "very satisfied" with their current service, with another 42% reporting that they are "somewhat satisfied."
- When rating the broadband service on their cell phones, **Texans give the highest marks** to service reliability and customer service. Texans rate their satisfaction with their monthly bill the lowest. These numbers vary little between rural and non-rural mobile users.

More than one in three Texas adults (37%, representing approximately 6.8 million Texans) subscribe to a mobile broadband service in addition to their home broadband service (Figure 2). Plus, approximately 2.1 million adults in Texas (or 11% of adult Texans) use mobile broadband service instead of subscribing to home broadband service. Among Texans who have historically been on the wrong side of the “Digital Divide,” these figures are higher - 18% of Hispanic adults, 17% of African American adults, and 17% of low-income adults rely on mobile broadband as a substitute for home broadband service.³ This represents approximately 932,000 Hispanic, 294,000 African American, and 634,000 low-income Texas adults who use mobile broadband instead of home broadband service.

Figure 2.
Mobile Broadband Use in Texas



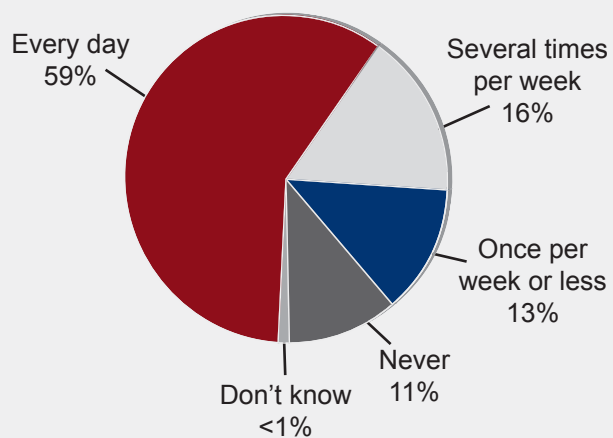
How Texans Use the Internet on Their Cell Phones

Statewide, nearly 15.3 million Texas adults (84% of adult Texans) own a cell phone, and the majority of those cell phone owners (56%) subscribe to a mobile Internet service that allows them to access the Internet on their cell phones. Among these subscribers, nearly three out of five (59%, representing nearly 5 million adult Texans) say they go online via their cell phone on a daily basis (Figure 3).

On the other end of the usage spectrum, more than one in ten Texas adults who subscribe to a mobile broadband service on their cell phone (11%) never use their subscription. That means that almost one million (approximately 975,000) Texans pay for mobile Internet service but do not take advantage of it.

Nearly four out of five Texas adults who access the Internet on their cell phones say they do so to communicate via e-mail, texts, or similar methods (Table 4). The majority of Texas adults who go online via their cell phones say they explore or participate in hobbies and personal interests, while nearly one-half of these mobile users read online news sources and research or purchase goods and services via their cell phones.

Figure 3.
How Often Texans Go Online via Their Cell Phone (Among Those Who Subscribe to Internet Service on their Cell Phone)



³ “Low-income” = adults living in households with annual household incomes below \$25,000

Table 4.
Online Application Usage via Cell Phone

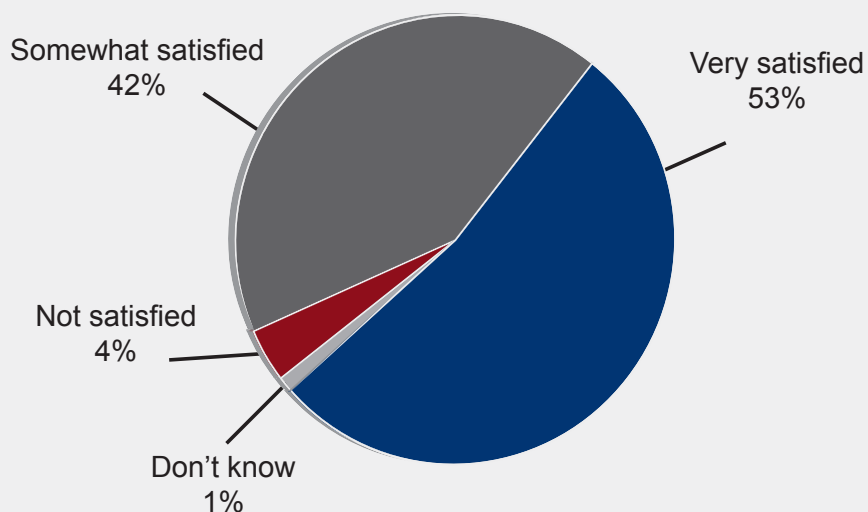
Communicating through e-mail or other ways of sending messages	82%
Exploring or participating in hobbies or personal interests	58%
Reading online newspapers or other news sources	46%
Researching or purchasing goods or services	42%
Online banking or paying bills	37%
Searching for medical information, or communicating with doctors or other healthcare professionals	27%
Taking online classes or conducting research for schoolwork	18%
Searching or applying for jobs online	16%
Interacting with government offices or elected officials	10%

Other applications, such as online banking and bill paying, e-health applications, taking online classes or conducting research for school, searching and applying for jobs, and interacting with government offices or elected officials are used much less often.

Texans' Satisfaction with Mobile Broadband Service

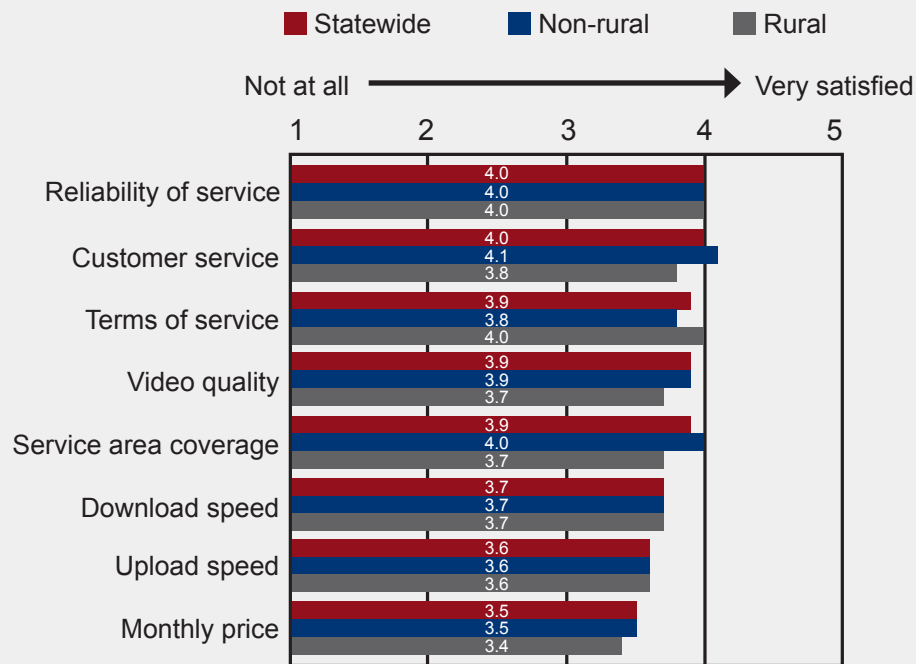
Of those who use their cell phones to go online, more than one-half (53%) say they are very satisfied with their mobile broadband service, while another 42% report being "somewhat satisfied" with the mobile broadband service on their cell phone (Figure 5).

Figure 5.
Satisfaction with Broadband via Cell Phones



When asked to rate their satisfaction with specific aspects of the broadband service on their cell phones, Texans rated their satisfaction with both the reliability of their service and the quality of their customer service as four out of five (Figure 6). Texans who access the Internet via their cell phones rated their satisfaction with their terms of service, video quality, and service area coverage only slightly lower, while they rated their satisfaction with their broadband speeds (upload and download) and monthly prices the lowest.

Figure 6.
Satisfaction with Different Aspects of Broadband via Cell Phone



Between rural and non-rural Texas counties, satisfaction with reliability of service, download speed, and upload speed do not vary. Monthly price, video quality, customer service, and service area coverage have a higher average satisfaction in non-rural areas than rural areas. Terms of service is the only aspect of service where rural areas have a higher average satisfaction than non-rural areas.

Conclusion

As the Internet experience continues to evolve, it is evident that mobile broadband will continue to grow in usage and importance. With nearly one-half of its adults using mobile broadband, Texas is leading the way.

It is important, however, to keep in mind the gaps that need to be closed to ensure that all Texans have an opportunity to access this revolutionary technology. The fact that approximately 9.5 million adults have decided not to subscribe to mobile broadband service, and an additional 975,000 who do subscribe to mobile broadband service do not use their service to access the Internet, shows that even a national leader such as Texas has room for improvement.



Methodology and Definitions

Between June 22 and July 18, 2011, Connected Texas conducted a random digit dial telephone survey of 1,197 adults across the state. Of the 1,197 respondents randomly contacted statewide, 196 were called on their cellular phones, and 1,001 were contacted via landline telephone. The results of this survey have been compared to similar surveys that Connected Nation conducted across ten states in 2011 (Alaska, Florida, Iowa, Michigan, Minnesota, Nevada, Ohio, South Carolina, Tennessee, and Texas). Altogether, Connected Nation surveyed 27,086 residents across these ten states in 2011 for this study.

“Technology Adoption” is defined as follows:

1. Broadband adopters are defined as respondents who answered “yes” when asked “Do you subscribe to the Internet at home?” and answered “broadband or high speed Internet service” when asked “Which of the following describe the type of Internet service you have at home?”
2. Laptop or tablet owners are defined as respondents who answered “yes” when asked “Does your household have a computer?” and reported that they owned a laptop or tablet when asked “What type of computer do you have at home?”
3. Mobile Internet users are defined as respondents who meet any of the following criteria:
 - Responded that they use a cell phone to access the Internet while at home when asked “When you are at your home, which of the following devices do you use to access the Internet?” or
 - When asked “At what locations outside of your own home do you use the Internet?” responded “Through a cell phone or handheld device” or
 - Responded “yes” when asked “On your laptop or tablet computer, do you subscribe to a mobile wireless service that allows you to access the Internet through a cellular network?” or
 - Responded “yes” when asked “On your cell phone, do you subscribe to a plan that allows you to access the Internet?” and reported that they access the Internet via their cell phone when asked “How often, if ever, do you go online using your cell phone?”

Multiple attempts were made to each working telephone number on different days of the week and at different times of the day to increase the likelihood of contacting a potential respondent. To ensure a representative sample, quotas were set by age, gender, and county of residence (rural or non-rural), and the results were weighted to coincide with 2010 United States Census population figures. For the purpose of setting quotas and weighting, “rural” respondents are defined as living in a county that is not a part of a Metropolitan Statistical Area (MSA), as designated by the United States Office of Management and Budget. Weighting and design consultation were provided by Lucidity Research.

Surveys were conducted by Eastern Research. On average, the survey took approximately 12 minutes to complete after the respondent agreed to participate. Based on the effective sample size, the margin of error = $\pm 3.47\%$ at a 95% level of confidence for the statewide survey of 2011. As with any survey, question wording and the practical challenges of data collection may introduce an element of error or bias that is not reflected in this margin of error.

These surveys were conducted as part of the State Broadband Initiative (SBI) grant program, funded by the National Telecommunications and Information Administration (NTIA). The SBI grant program was created by the Broadband Data Improvement Act (BDIA), unanimously passed by Congress in 2008 and funded by the American Recovery and Reinvestment Act (ARRA) in 2009. To learn more about Connected Texas and its programs please visit www.connectedtx.org or e-mail us at info@connectedtx.org.

APPENDIX A:
Select questions and sample sizes

2011 Connected Texas Residential Technology Assessment

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Total	1,197
Mobile Internet users	509
Mobile Internet users without home broadband service	108
Mobile Internet users with home broadband service	401
Texas adults who access the Internet via cell phone	438

Demographic Categories

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Hispanic adults	277
African American adults	113
Low-income adults	243
Non-rural	799
Rural	398