

Section 7

Digitization of Homes and Companies

1. Digitization of Homes

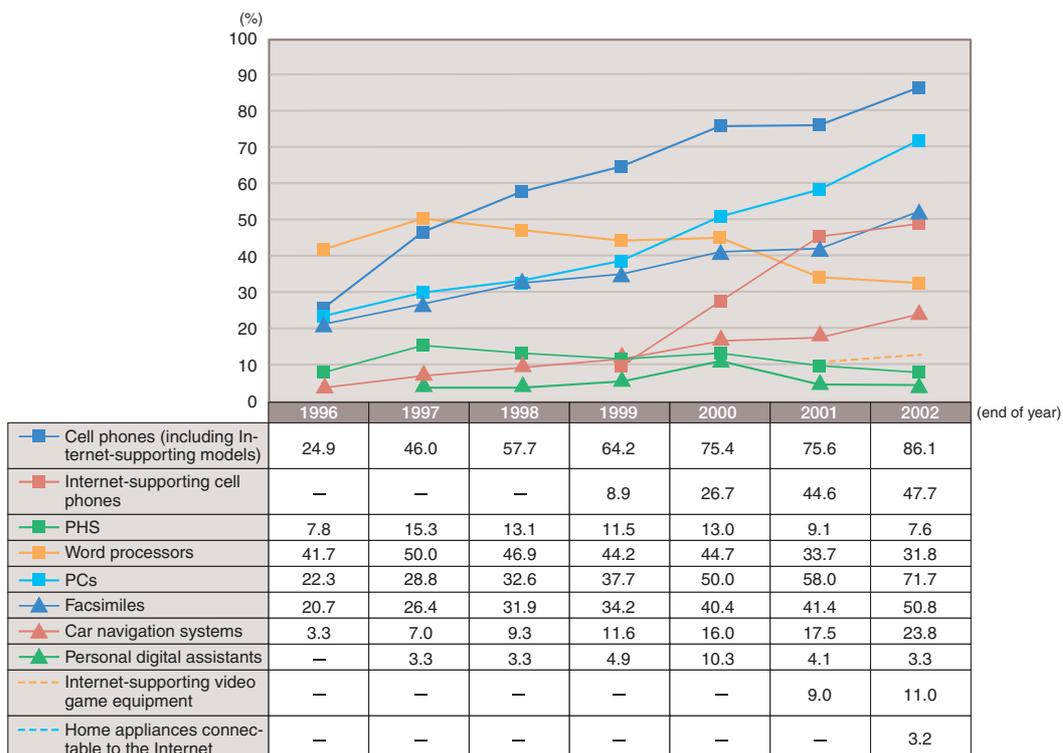
With regard to the ownership rate of information and communications equipment among households at the end of fiscal 2002, 86.1% of households owned cell phones (a 10.5 point increase over the previous year) of which 47.7% owned Internet-supporting cell phones (a 3.1 point increase over the previous year), 71.7% of households owned PCs (a 13.7 point increase over the previous year), 50.8% owned facsimiles (a 9.4 point increase over the previous year), and 23.8% owned car navigation systems (a 6.3 point increase over the previous year), showing a consistent increase overall (Figure 2-12).

The annual household expenditure for various information and communications services (total of telephone communication fees and broadcast reception fees) was 132,864 yen (a 6.8% increase over the previous year) in 2002. While household consumption expenditure has decreased by 0.8% from the previous year, expenditure for information and communications services is on an

increase, so the proportion of expenditure for information and communications services in the overall household expenditure expanded to 3.6% (a 0.2 point increase over the previous year).

According to a survey conducted by the Communications Research Laboratory, the average time consumed for using the Internet per day (total for PCs, cell phones, and PHS) was 32 minutes and the average time consumed for reading newspaper was 34 minutes (a 20.1% increase over the previous year) in 2002. On the other hand, the average time consumed for viewing television was overwhelmingly long at three hours and 22 minutes. The time consumed for viewing television and reading newspaper tends to be long for people of higher age, but the time consumed for using the Internet is longer for younger generations. The time consumed for using the Internet is longer than that for reading newspapers for people under the age of 50.

Figure 2-12: Transitions in the Ownership Rate of Information and Communications Equipment (households)



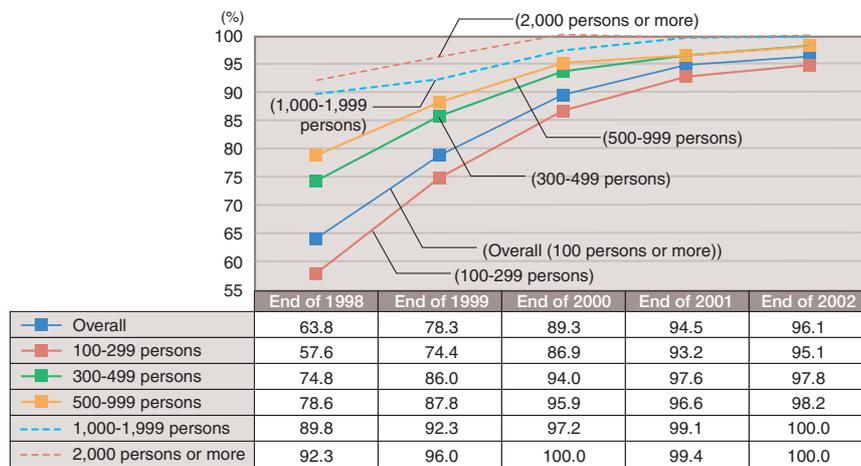
Source: "Communications Usage Trend Survey."

2. Digitization of Companies

With regard to the Internet utilization rate of companies, 96.1% of companies (a 1.6 point increase over the previous year) were connected to the Internet at the end of 2002. The utilization rate was 95.1% (a 1.9 point

increase over the previous year) even in relatively small companies with employees of 100 to 299 people, and the gaps by size of company have almost disappeared (Figure 2-13). As of the end of 2002, 80.0% of all companies had their own Web sites.

Figure 2-13: Transitions in the Internet Utilization Rate of Companies



Source: "Communications Usage Trend Survey," MPHPT.