

CANADIAN PRESS / LEGER MARKETING

**Canadian Internet Users and
Their Usage Habits in
E-commerce**

Report



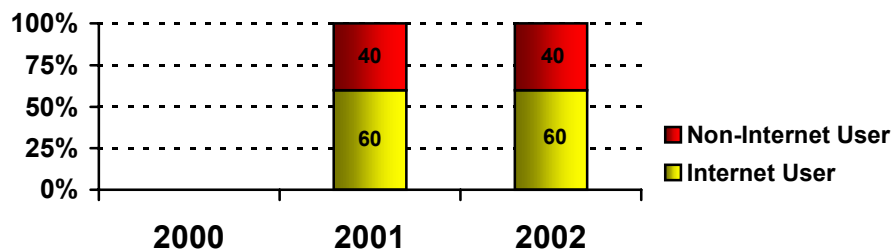
Canadian Internet Users and Their Usage Habits in e-commerce

This study was conducted by Leger Marketing through telephone interviews among a representative sample of 1500 English- or French-speaking Canadians, within the context of the third global e-commerce research conducted by Taylor Nelson Sofres with 42 000 people in 37 different countries..

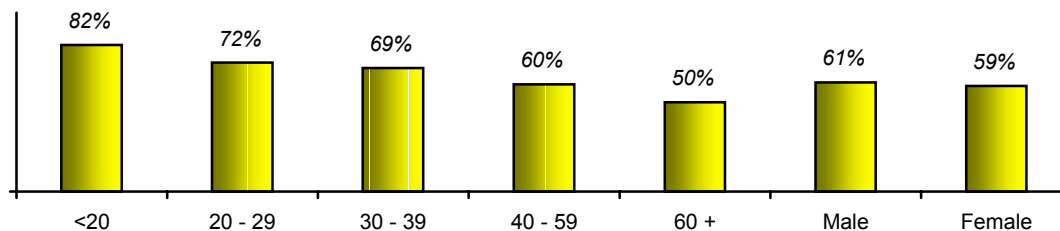
1 INTERNET USAGE

- ▶ □ The number of internet users has not increased over the past year in Canada. In fact, 60% of the population remain internet users compared to 40% of non-internet users as per 2001.
- ▶ □ For the second year running Canada is one of the countries leading the way in the adoption and use of the internet, ranking fourth (60%), having lost its 3rd place ranking in 2001, behind the Netherlands (61%), USA (62%) and Denmark (63%).
- ▶ □ Although country average internet penetration has reached 34%, a 3% increase since 2001, growth has slowed and some countries have seen a drop.

Percentage of Canadian population who are Internet users



Percentage of specific age groups and sexes in Canada who are Internet users (2002)

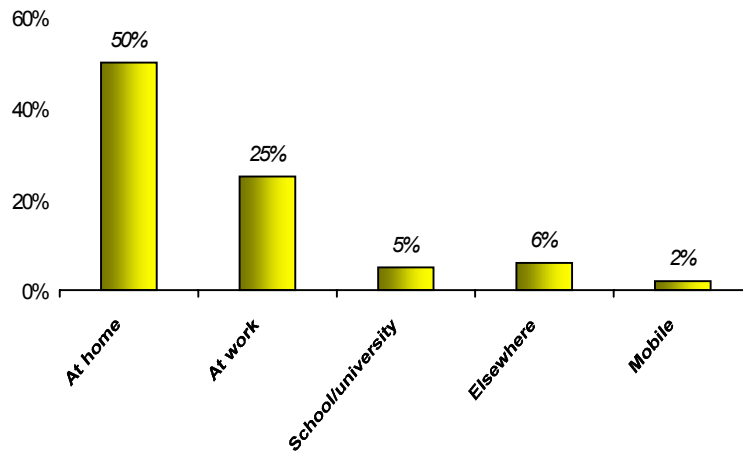


2 INTERNET PENETRATION AND PLACE OF USE

- ▶ Most internet use occurs at home, with half of the Canadian users going online from their homes, 25% doing so at work, 5% at school, 6% elsewhere (public access points such as Internet cafes and libraries) and 2% using mobile internet.

Internet users – place of use (percentage of population - 2002)

Please note that multiple responses per respondent were recorded

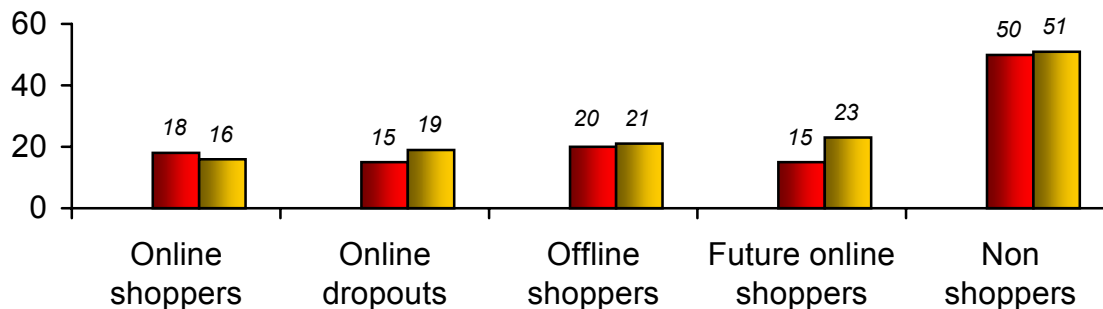


3 E-COMMERCE ACTIVITY

- ▶ Between 2001 and 2002, the proportion of Internet users shopping online in Canada has decreased by 2%, from 18% in 2001 to 16% in 2002. Shopping behaviour in Canada has changed little since 2001 among internet users, as 51% have done none of the following: bought online, dropped out, bought offline or plan to buy online in the future.

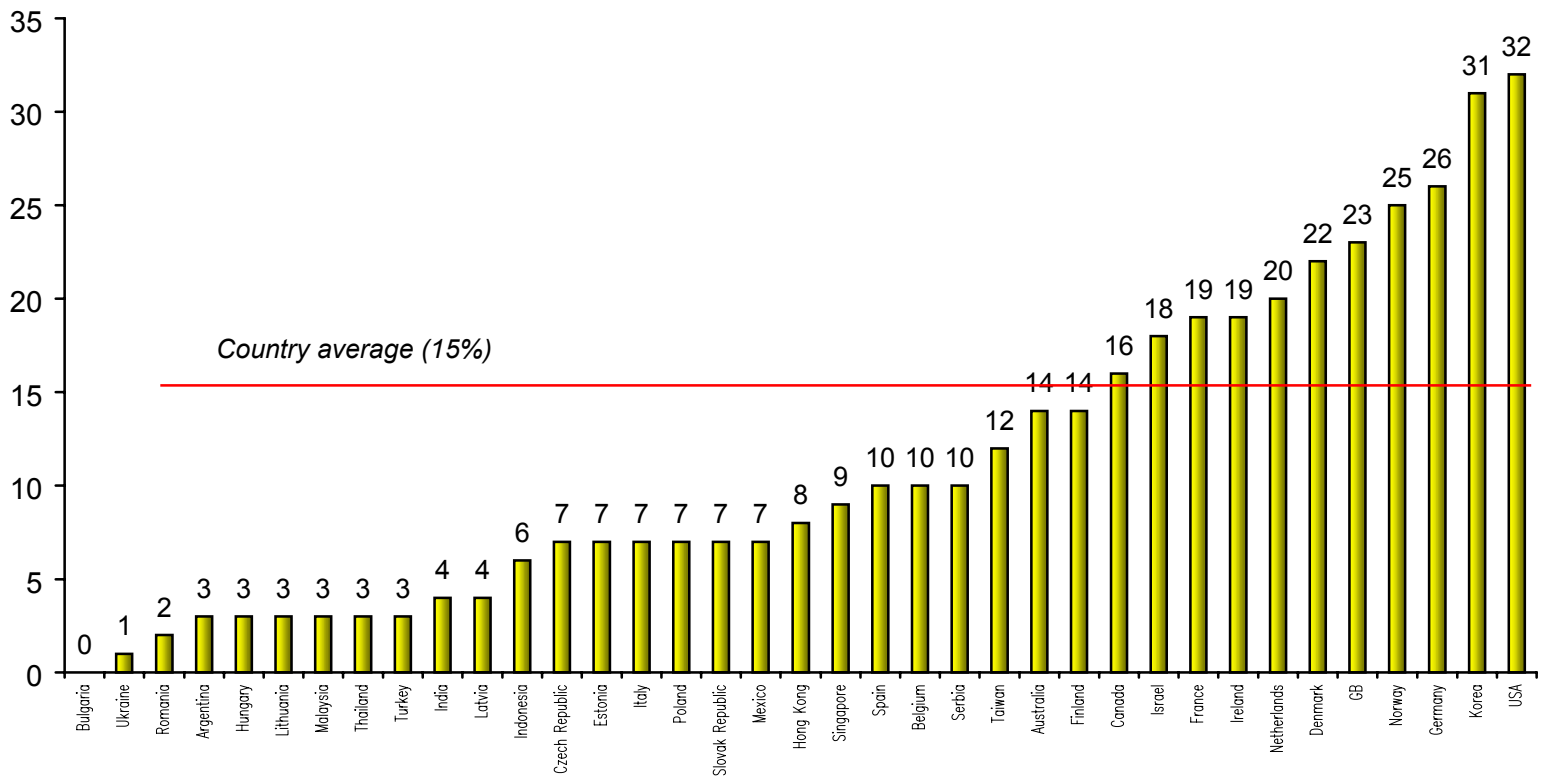
Shopping behaviour among Internet users...

Please note that multiple responses per respondent were recorded



- ▶ The USA retains its position as the nation with the greatest proportion of online shoppers (users who have bought goods or services online during the past month) at 32% of all Internet users. Canada ranks 11th at 16%, 1% above the global average of 15%.

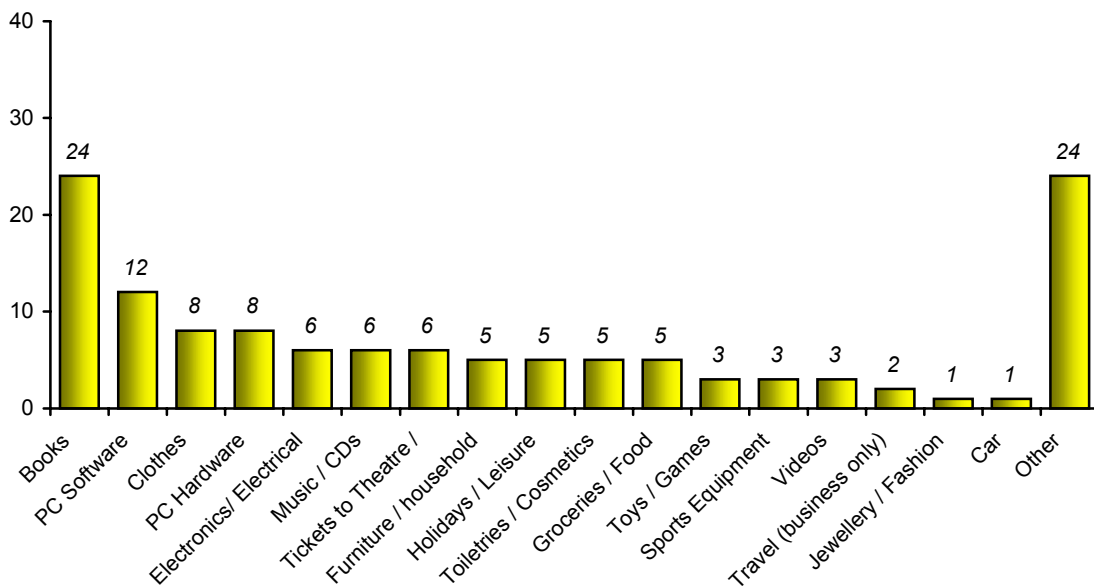
Online shoppers 2002/2001



4 PRODUCTS PURCHASED ONLINE

- In terms of types of goods and services purchased online, Canadian internet users' habits have not changed much compared to 2001 as they are still more likely to buy books (24%), PC software (12%), and clothes and PC hardware (8%).

Actual purchases among Internet users in Canada who have shopped online during past month

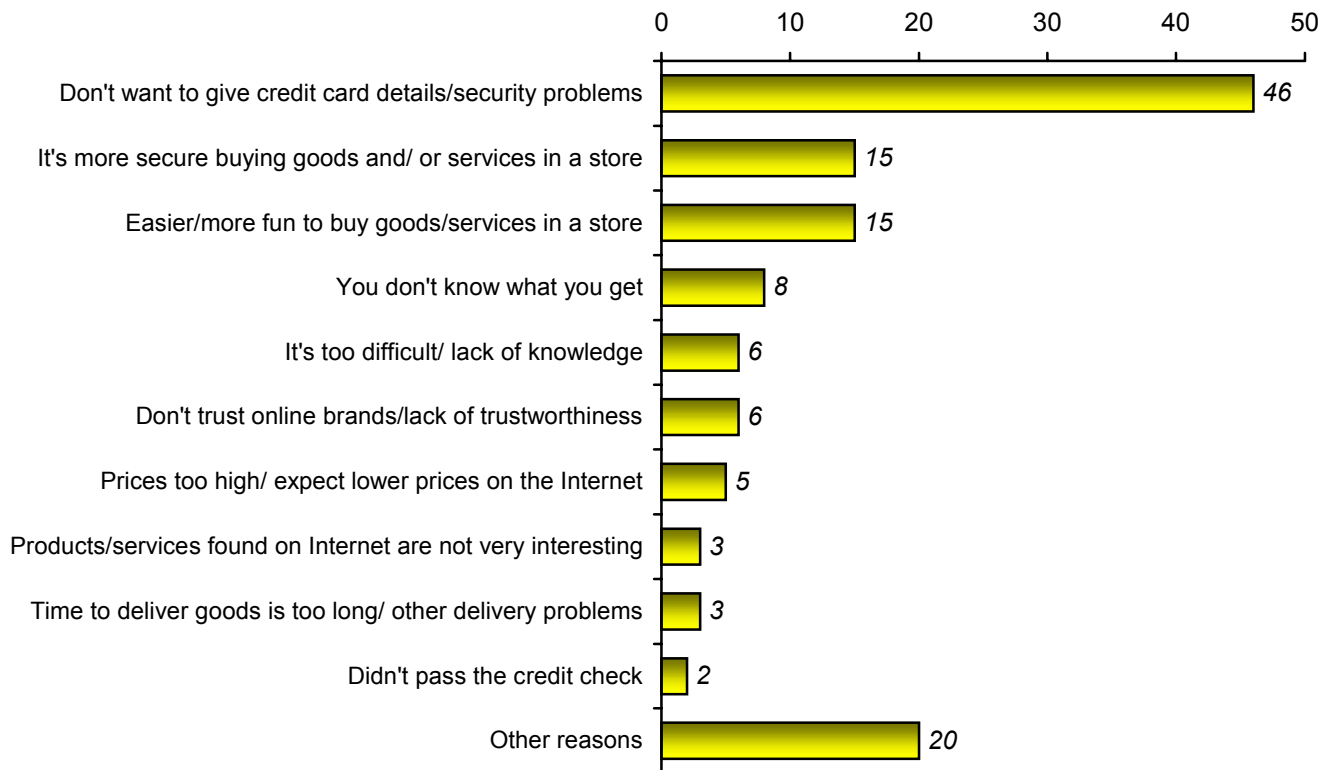


5 REASONS FOR NOT PURCHASING GOODS AND SERVICES ONLINE

- ▶ The biggest reasons for not purchasing online continue to be security related. In Canada, 46% of abstainers stated that they did not want to give credit card details compared to a lower overall percentage of 30%. 15% citing general security concerns.

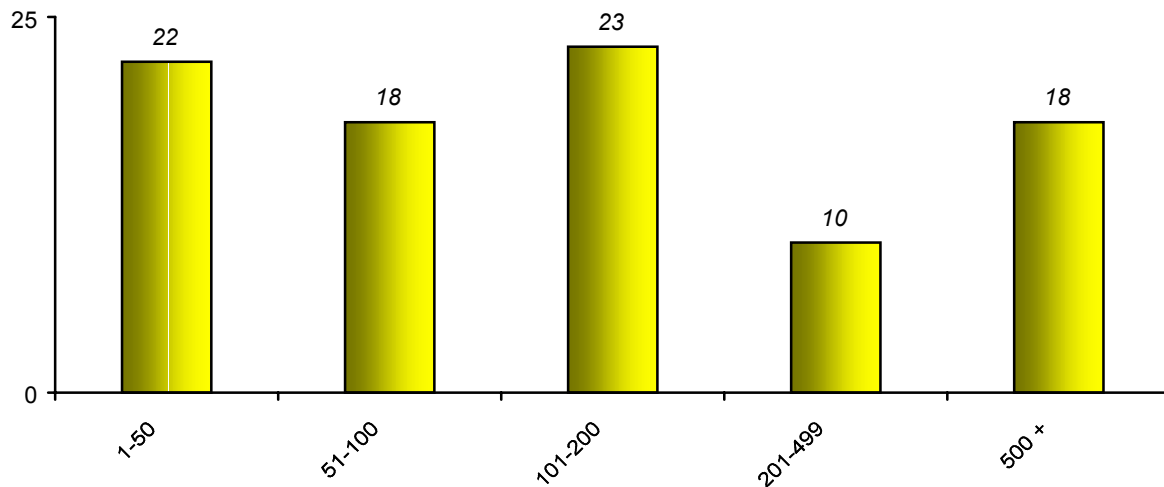
Reasons for not purchasing goods and services online with Canadian users

(given by respondents who have NOT purchased online) note that multiple responses per respondent were recorded



- ▶ A majority of Canadian online shoppers (63%) have spent a maximum of \$200 over the past 4 weeks in online purchase or orders, 10% have spent between \$201 to \$400. Nevertheless, 18% spent \$500 or more.

Value of total purchases or orders made in the last 4 weeks in Canada



- ▶ Although Canadian users aged between 30 and 39 years, spent the most over the past 4 weeks, with an average value of total purchase of \$468, it is interesting to note that Canadians under the age of 20 spent an average of \$229.
- ▶ Canadian men, for their part, spent an average of \$380 in the last 4 weeks compared to women who spent \$194.

The fact that online purchases in Canada attracts the young user's segment of the users population reflects a bright future for the internet.