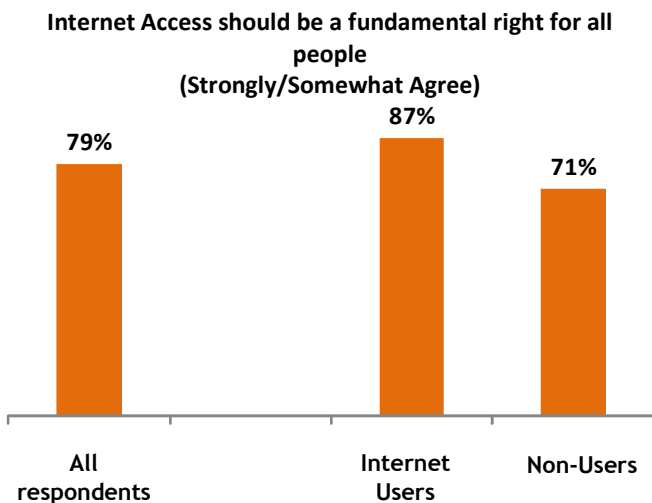




## Internet considered by 27,973 citizens of the world

The Internet may be the critical tool for helping globalization become a reality. Yet, the Internet is seen somewhat differently in each region and in each country of the world. This is suggested in a current study conducted for the BBC's international news services by GlobeScan, (the MUND Group was responsible for the Mexico sample). See [www.globescan.com](http://www.globescan.com) for complete report.

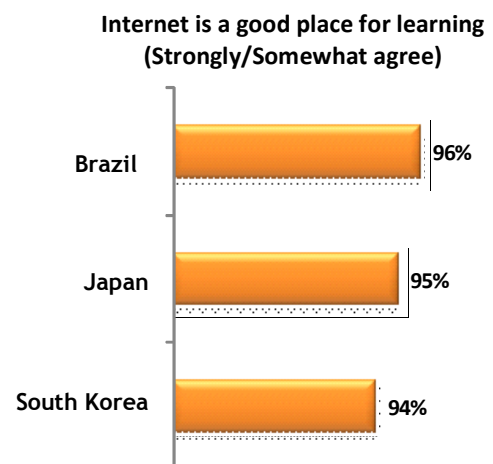
World wide, 27,973 interviews were conducted. The studies found 14,306 Internet users in this sample, just a little over 50% of those contacted and accepting the interview. Overall, 79% of the respondents consider that "access to the Internet should be a fundamental right for all people"; this includes internet users and non-users. The percentage increases to 87% when only the Internet users are taken into account. Thus, about three out of every four people in the sample consider the Internet to be a fundamental right for every human being.



South Korea and Mexico are the two countries with the highest percentages of respondents agreeing with the proposition that Internet Access is fundamental right. Pakistan is where the citizens are least interested in seeing access as a fundamental right. China, with all its current Internet controversy is above the general average for seeing Internet access as a fundamental right.

Another question in the study was whether Internet users considered this medium a good place to learn:

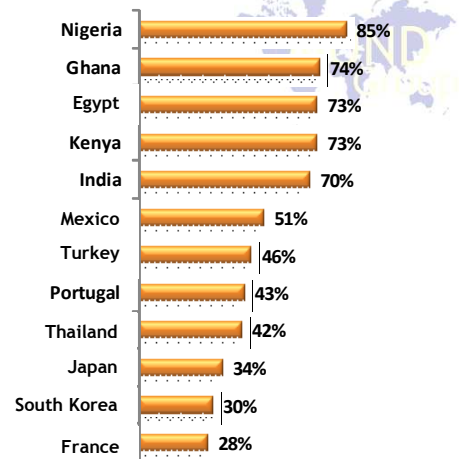
Brazil, Japan and South Korea -- three countries with high internet penetration have the highest percentages with regards to respondents who agree that the internet is a good place to learn.



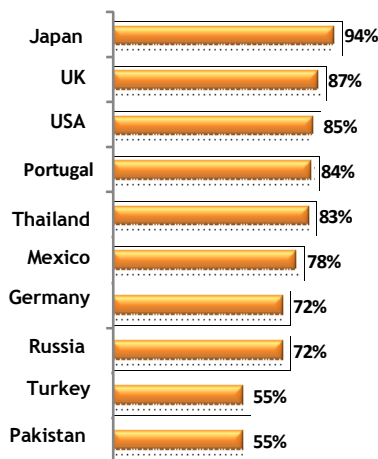


Equally suggestive for further study and reflection is the notion among respondents that it is safe to express opinions on-line. The highest register of this opinion includes four countries in Africa. At the same time in the more developed countries such as France, South Korea and Japan, the subject doesn't seem to be of much importance. In Mexico the internet users are divided practically down the middle between those who are in agreement of the statement and those who are not.

**Internet is a safe place to express my opinions  
 (Strongly/Somewhat agree)**



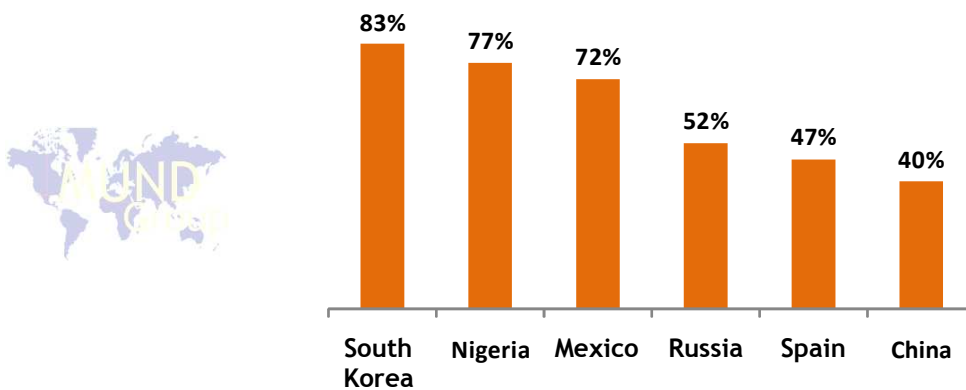
**Internet gives me more freedom  
 (Strongly/Somewhat agree)**



Greater freedom on line is celebrated, and appears more common in the developed countries, in which freedom of expression is established and goes hand in hand with economic development. Mexico finds itself in the middle on this question, smack on the general average (78%), above Germany and Russia. Turkey and Pakistan have the lowest percentages.

Internet regulation is a subject that is being debated all over the world, though the debate takes different forms. Child pornography, irresponsible claims, reckless falsehoods, site-attacks have all been considered for regulation.

**Internet should never be regulated by any level of government anywhere  
 (Strongly/Somewhat agree)**





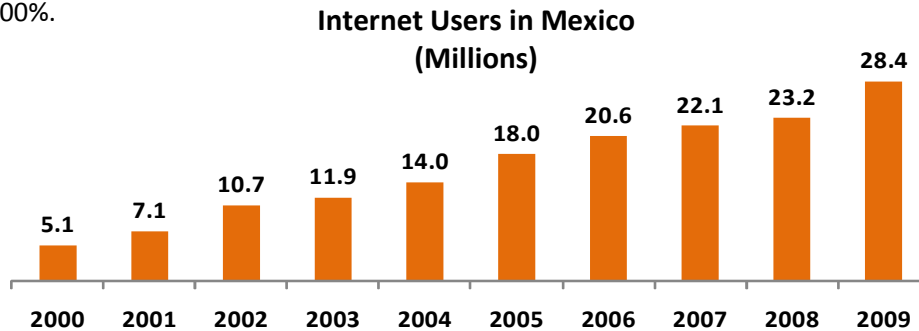
Background and context:

## Internet in Mexico, infrastructure

As early as 1989, the Internet was used in Mexico for academic purposes. These first developments took place in the UNAM and in the Instituto Tecnológico de Estudios Superiores de Monterrey. Immediately after 1989, the nodes were extended to a number of other public and private universities and educational institutions.

Services were first delivered through the network in 1994. By then, 44 academic institutions were registered under the domain *.mx*, some five companies under the domain *.com.mx* and one institution as *gob.mx*. Two years later, in 1996, the number of domains *.mx* was more than 2,200.

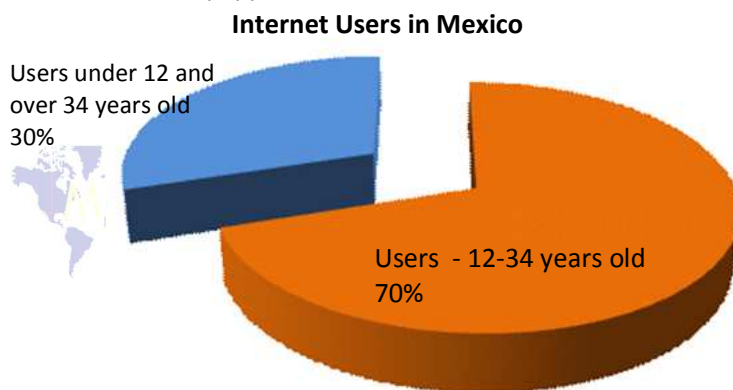
During the rest of the decade the number of registered domains (*.mx* and *.com.mx*) gradually multiplied, and the number of users grew. In the first decade of this century, the figure rose from 5.1 million users to 28.4 million, an increase of over 500%.



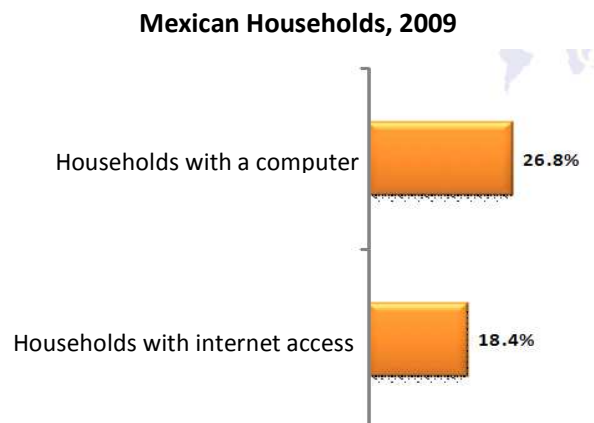
Source: "Encuesta nacional sobre disponibilidad y uso de tecnologías de la información en los hogares (ENDUTIH 2009)" – INEGI with some adjustments by COFETEL (Comisión Federal de Telecomunicaciones).

### Users Profile

According to the INEGI, through its National Survey of Availability and Use of Information Technologies (ENDUTIH) 2009, about 70% of Internet users in Mexico are young and young adult, aged 12 -- 34 years. Some 7.4 million households have at least one computer, representing 26.8% of all households. Further, 18.4% of households (5.1 million) is equipped with internet connection.

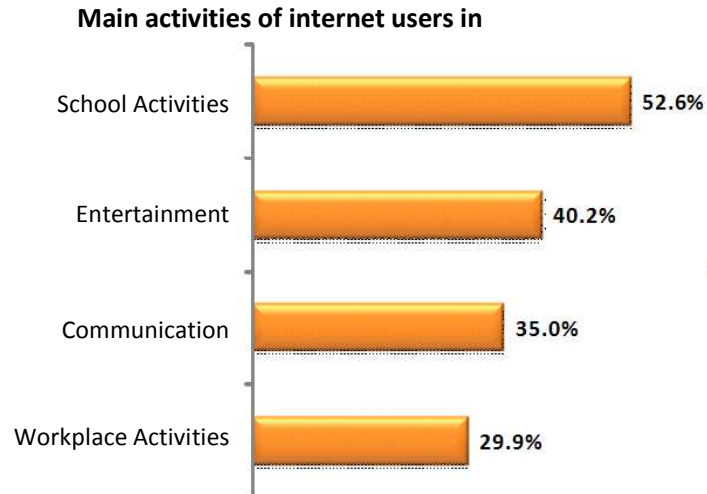


Source: ENDUTIH 2009- INEGI



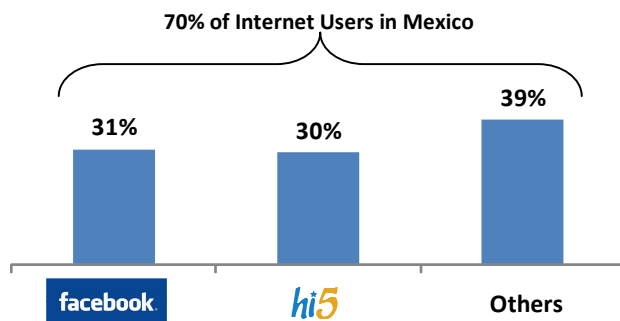


According to the INEGI, school related tasks are the activity that prevails among Internet users followed by entertainment, communication and workplace activities.

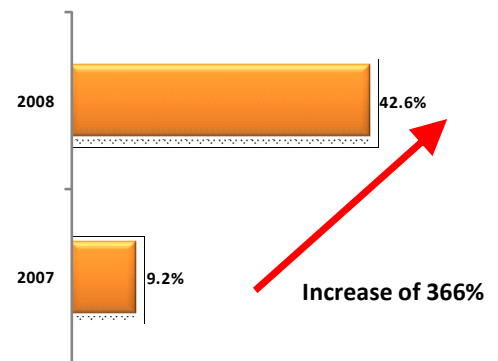


About 70% of internet users here have at least one subscription to a social network<sup>1</sup> site. An illustrative example of growth for advertising spending in social networks is the year 2008 – rising from 9.2 million to 42.6 million pesos, up 366% in one year.

**Distribution of subscriptions to social networks in Mexico**



**Spending on Social Network Advertising 2007-2008**



Source: “Estudio sobre consumo de medios digitales” – IAB Mexico (Interactive Advertising Bureau)



**Online Market**

Taking into account that younger users (aged 25 years or less) more and more rely comfortably on technology, and that this characteristic of Mexico’s millennial generation will likely continue, we are at the edge of an on-line commercial boom.

<sup>1</sup> IAB México (Interactive Advertising Bureau) – “Estudio sobre Consumo de Medios Digitales 2009”



Apart from the problems of having money and confidence in on-line transfers, the main problem to resolve is the quality of internet connection. According to SpeedTest.net, (Ookla signature, the U.S. company dedicated to developing measurement systems) Mexico is ranked 103 out of 180 countries in speed data download -- below Latin American countries like Chile, Brazil, Puerto Rico, Costa Rica and Argentina, and well below South Korea.

RANKING	DOWNLOAD SPEED	
1	Corea del Sur	22.98 Mb/s
28	United States	7.68 Mb/s
38	Canada	6.48 Mb/s
62	Chile	3.54 Mb/s
80	Brazil	2.47 Mb/s
82	Puerto Rico	2.34 Mb/s
91	Costa Rica	2.03 Mb/s
101	Argentina	1.84 Mb/s
103	Mexico	1.81 Mb/s
119	Honduras	1.52 Mb/s
122	Belize	1.50 Mb/s
124	Colombia	1.49 Mb/s
126	Nicaragua	1.44 Mb/s
127	El Salvador	1.43 Mb/s
139	Guatemala	1.14 Mb/s
140	Haiti	1.12 Mb/s
142	Ecuador	1.09 Mb/s
143	Peru	1.09 Mb/s
147	Venezuela	1.05 Mb/s
152	Uruguay	0.91 Mb/s
161	Paraguay	0.68 Mb/s
172	Bolivia	0.53 Mb/s

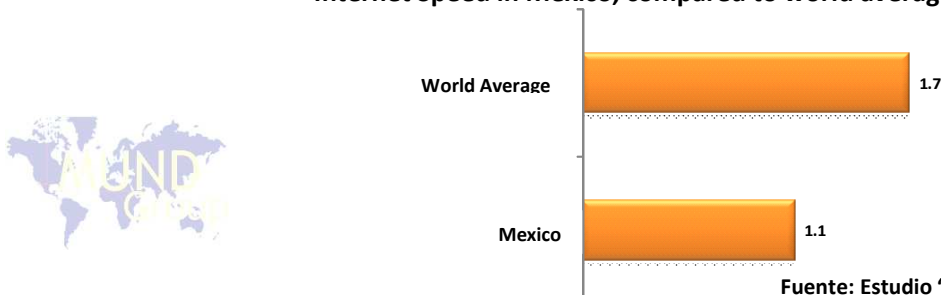
RANKING	UPLOADING SPEED	
1	Lithuania	9.74 Mb/s
29	United States	1.76 Mb/s
39	Canada	1.13 Mb/s
48	Honduras	0.90 Mb/s
65	Chile	0.72 Mb/s
73	Nicaragua	0.62 Mb/s
79	Panama	0.59 Mb/s
84	Haiti	0.54 Mb/s
86	Costa Rica	0.53 Mb/s
93	Belize	0.50 Mb/s
94	Puerto Rico	0.49 Mb/s
103	El Salvador	0.46 Mb/s
105	Guatemala	0.45 Mb/s
111	Brasil	0.43 Mb/s
122	Colombia	0.39 Mb/s
129	Mexico	0.34 Mb/s
131	Ecuador	0.33 Mb/s
137	Argentina	0.31 Mb/s
141	Venezuela	0.27 Mb/s
150	Paraguay	0.25 Mb/s
155	Peru	0.23 Mb/s
171	Uruguay	0.14 Mb/s

Fuente: SpeedTest.net

The picture in sending data is even less flattering, with Mexico ranked 129 out of 180 countries in transmission speed, exceeded by countries such as Belize, El Salvador, Guatemala and Colombia.

According to the OECD, Mexico is ranked 26 out of the 30 developed member countries in download speed and is last place in speed for uploading data. In the study "El State of the Internet" conducted quarterly by the company Akamai, Mexico scores below the world average in terms of Internet speed, with a 1.1 MB per second; the world average is 1.7 MB per second.

**Internet Speed in Mexico, compared to world average (MB /S)**



Fuente: Estudio "El estado de internet" - Akamai.com

Internet speed is an unfinished theme for present and future generations in Mexico; increase in speed is not corresponding to the increase of users. The telecom infrastructure is just plain weak. This is a problem for online



business since we find that few want to be at the computer more than 10 minutes to buy a product or service. The core idea of electronic commerce in the consumer mind is to be fast, efficient and not cause discomfort.

### Internet as an information service

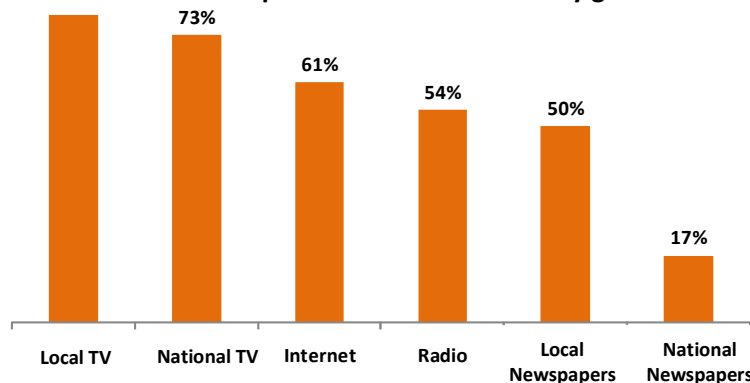


In the beginning in Mexico, the Internet was an academic based media. In time, the Internet dynamic here has segued into broader information services. The demand is constant, and becomes overwhelming to server capacity in moments of crisis and concern. But to get good information on the Internet the user needs skills of search and selection which can only be learned. The evidence is that developing such skills are a priority among most regular users.

The study "Understanding the Consumer Participation News" by the PEW Research Center in the U.S. indicates that the Internet is already the third most important communication medium through which US residents get information. According to this study, 92% of Americans get information from multiple platforms on a normal day, these platforms include national network TV, local TV, internet, local newspapers, radio and national newspapers. Some 46% said they reported 4 to 6 different platforms, while only 7% searched for information from a single platform for news. While the Internet base is smaller, both in absolute and relative terms, in Mexico the same general dynamic is already visible.

In effect, in the U.S. Internet according to the PEW study has emerged in third position as a news source, behind only local open television and national network open television. In Mexico the Internet is in fourth position, behind local and national television, and radio. But, as in the U.S., the Internet is already ahead of traditional print in Mexico.

**Platform from which the respondents to the PEW study got their news**



Source: "Understanding the participatory-news consumer" – PEW Research Center

The study indicates that in this new environment (in the trend setting U.S.) of multi-media platforms, the relationship of people with the news has become more portable, personalized and participatory. For example, in portability, 33% of cell phone owners access news from their mobile devices. In personalization, 28% of internet users have a personalized page to include news and topics of particular interest; in terms of participation, 37% of internet users have contributed to the news development cycle – commenting or sharing through messages on social networking sites like Facebook or Twitter.



The PEW study also shows that people experience the news as a shared social exercise, exchanging email addresses and website preferences. Admittedly, the news as a part of social exchange is as old as printed weeklies passed around coffee houses in the 18<sup>th</sup> century, but we appear to be in front of a qualitatively different dynamic today with regard to the Internet.

At MUND, we have begun to explore some of the PEW hypotheses as they might play out in Mexico. We will continue researching the Internet as media, in its cultural as well as its public policy dimensions.

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