

THE INTERNET CONTINUES TO IMPACT CONSUMERS' USAGE OF OTHER MEDIA

Weekly online usage has increased 46% to 12.7 hours per week among Internet-using
Canadians



Ipsos Reid

Public Release Date: August 9, 2005

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**Weekly online usage has increased 46% to 12.7 hours per week among online
Canadians**

Vancouver, BC— The recent Ipsos Reid study *Online News and Information Seeking: What the Future Holds*¹ shows that the amount of time Internet-using Canadians are spending actively using the Internet is on the rise, averaging 12.7 hours per week (up 46% from 8.7 hours in 2002²). This increase appears to have come at the expense of radio as the typical Internet-using adult spends 11 hours per week listening to the radio, down from 16 hours per week in 2002. While weekly Internet usage has surpassed radio listening, television retains the number one position among media sources with Internet-using Canadians averaging 14.3 hours³ of TV viewing per week. Still, the gap between Internet and TV usage is closing (a difference of 1.6 hours per week compared to 4.5 hours in 2002), with the Internet threatening to overtake television should these trends continue.

Younger Internet-using Canadians (18-34) are particularly enthusiastic users of the Internet, spending more time actively using the Internet (14.7 hours per week) than they do with any other medium, including radio (11.7 hours per week), television (11.6 hours per week) and reading newspapers (2.5 hours per week).

“For the first time since we began tracking these activities, younger Canadians are spending more time on the Internet than watching TV. This change in media consumption has significant implications for advertisers and marketers”, says Catherine Rogers, a Senior Research Manager with Ipsos Reid’s Media Practice. “Any advertiser looking at this demographic should be re-evaluating their marketing strategies if they haven’t already.”

¹ The Online News and Information Seeking survey is a special feature off the *Canadian Inter@ctive Reid Report, Q2 2005*.

² *Canadian Inter@ctive Reid Report, Q2 2002*.

³ Weekly media usage is based on self-reported data collected over a one week telephone interviewing timeframe.

While Internet usage is having an impact on the use of traditional media sources, the perception among Internet-using Canadians is that the Internet is having a more profound impact than their behaviour would indicate. Internet-using Canadians are more likely to say that their use of traditional media sources as a result of Internet usage has decreased rather than increased. However, with the exception of radio, the average amount of time Internet-using Canadians are spending with each medium in 2005 is the same or even higher than it was in 2002.

“This apparent contradiction in the perceived and actual impact of the Internet on other media consumption can be explained, at least in part, by the amount of attention the Internet receives compared to other traditional media sources,” says Rogers. “The Internet appears to be at the forefront of Canadians’ minds when thinking of media trends, resulting in inflated perceptions of its impact on other media consumption.”

While Internet use is on the rise, Internet-using Canadians turn to different sources depending on their news and information needs. For example, the Internet is used more to look for specific or ‘niche-like’ news and information such as health (48%) and travel information/guides (45%) whereas television tends to be used more for general news and information such as weather (70%) and national and international news (70%).

Preference for specific news and information websites in Canada is still quite fragmented. Internet-using Canadians report using a variety of websites to search for news and information with no one website emerging as the leader. Over a quarter of Internet-using Canadians (27%) say they don’t have a favourite, leaving the door wide-open for a national news and information website to capture their attention. Of the websites mentioned, CBC.ca and Canoe.ca have a slight lead over other news and information websites, both being chosen as Canadian’s favourite news and information website by 10% of Internet-using Canadians. CTV.ca finishes just behind at 8%, with CNN.com and Canada.com at 6% each.

“Traditional sources for news and information are facing stiff competition from the Internet as seen by the high growth of Internet use compared to other traditional media,” says Rogers. “In order to combat this growing threat, traditional media sources must continue to find innovative ways to use the Internet as a complement to their total offering.”

*The **Canadian Inter@ctive Reid Report** is the largest, most comprehensive and authoritative source of its kind about quarterly Internet trends in Canada. The results are based on two separate data collection instruments. In the first, 1,000 web users from Ipsos Reid's Canadian Internet Panel are surveyed online. Panelists are chosen through random telephone surveys conducted on an ongoing basis across Canada. Results are complemented by a further 1,000 interviews via telephone with Canadian adults in order to verify results of the panel, and track issues among non-Internet users. Telephone interviews for this release were conducted from March 30th to April 5th, 2005 while the online data was collected from April 22nd to April 27th, 2005. These data are statistically weighted to reflect the population proportions of regular online users by online expertise and regional distribution. Our panelists represent approximately 14.4 million Canadian adult Internet users who are online for one hour a week or more (there are a total of 17.9 million adults who have Internet access).*

With a national sample of 1,000 (for each component), one can say with 95% certainty that the overall results are within a maximum of ± 3.1 percentage points of what they would have been had the entire population of Canada's regular online users been surveyed. The margin of error will be larger for sub-groupings of the survey population.

- 30 -

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