



Findings

The Internet's Growing Role in Life's Major Moments

By John Horrigan and Lee Rainie
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The internet has become increasingly important to users in their everyday lives. The proportion of Americans online on a typical day grew from 36% of the entire adult population in January 2002 to 44% in December 2005. The number of adults who said they logged on at least once a day from home rose from 27% of American adults in January 2002 to 35% in late 2005. And for many of those users, the internet has become a crucial source of information-- Pew Internet & American Life Project show that fully 45% of internet users, or about 60 million Americans, say that the internet helped them make big decisions or negotiate their way through major episodes in their lives in the previous two years.

To explore this phenomenon, we fielded the Major Moments Survey in March 2005, that repeated elements of an earlier January 2002 survey. Comparison of the two surveys revealed striking increases in the number of Americans who report that the internet played a crucial or important role in various aspects of their lives. Specifically, we found that over the three-year period, internet use grew by:

- ◆ 54% in the number of adults who said the internet played a major role as they helped another person cope with a major illness. And the number of those who said the internet played a major role as they coped themselves with a major illness increased 40%.
- ◆ 50% in the number who said the internet played a major role as they pursued more training for their careers.
- ◆ 45% in the number who said the internet played a major role as they made major investment or financial decisions.
- ◆ 43% in the number who said the internet played a major role when they looked for a new place to live.
- ◆ 42% in the number who said the internet played a major role as they decided about a school or a college for themselves or their children.
- ◆ 23% in the number who said the internet played a major role when they bought a car.
- ◆ 14% in the number who said the internet played a major role as they switched jobs.

Probing where the internet matters

In the March 2005 survey, respondents were first asked whether they had faced a decision pertaining to a particular item within the past two years and, if they had, whether the internet played a crucial role, an important one, a minor role, or no role at all. For five topics — buying a car, making a major financial decision, getting additional education and training for your career, choosing a school for oneself or child, and helping someone deal with a major illness — respondents were asked which occurred most recently, with follow-up questions probing specifically into how the internet played a role.

The table below shows how people's use of the internet fit into eight possible decision events. The internet seems to matter most in cases where decisions can be based on research by non-experts, such as getting additional training for one's job or choosing a school. These are arguably topics more easily grasped by non-specialists than say, health issues. A substantially smaller percentage of those who have dealt with medical problems turn to the internet, perhaps because of the complexity of many health issues.

Still, when extrapolated to millions of American adults who have turned to the internet in a significant way for a decision, the numbers are sizable. Some 21 million relied on the internet in a crucial or important way for career training, 17 million when helping someone else with a major illness or medical condition, and another 17 million when choosing a school for themselves or for a child.

Using the Internet for Decision-Making				
	Percent of internet users who dealt with the issue	Percent of those who dealt with issue for which internet played crucial role	Percent of those who dealt with issue for which internet played important role	Number of Americans who said the internet was crucial or important
Gotten additional training for your career	39%	21%	18%	21 million
Helped another person with a major illness or medical condition	49	9	17	17
Chosen a school or college for yourself or your child	29	22	20	17
Bought a car	46	12	15	16
Made a major investment or financial decision	41	12	17	16
Found a new place to live	24	15	15	10
Changed jobs	25	13	12	8
Dealt yourself with a major illness or other health condition	19	5	23	7
Source: Pew Internet & American Life Project March 2005 Survey. N=1,450 for internet users. The margin of error ±3% for the sample of internet users.				

Looked at another way, the internet's reach in playing a role in Americans' decision making is striking. Fully 45% of internet users, or about 60 million Americans, say that the internet played an important or crucial role in at least one of the eight decision points listed above in the previous two years.

The internet is the most important information source for many facing an important decision

For the five decisions that people have most likely confronted in the past two years — buying a car, making a major financial decision, helping someone deal with a major health matter, choosing a college, or getting additional career training — 39% of internet users, or roughly 53 million people, said the internet played a crucial or important role in at least one of those decisions.

In an effort to put the internet's role in a larger context, a series of follow-up questions were posed to these 39% of online users. The questions touched on whether they got bad information online, felt they had too much information, and whether information found online was more important than offline information.

Online information appears to work well for those who said the internet played a major role in their decisions. Just 5% said they encountered bad information in the course of carrying out their online research. When asked to compare the importance of online information to offline sources of information that factored into the decision, 57% said that online information was the *most* important source of information, as compared with 37% who said that offline information was most important. For those who have bought a car in the past two years and who said the internet played an important or crucial role, nearly two-thirds (65%) said the internet was their most important source of information.

Americans do not feel overwhelmed by the amount of information to consider in making decisions

Information overload was not experienced by the majority of those who relied heavily on the internet in the five key decisions. Just 15% said they sometimes felt overwhelmed by the amount of information they had, 71% said they had all the information they needed and thought it was manageable, and 11% said they were missing information that they wish they had. Few who bought a car in the past two years reported information overload (9%). And even among who said the internet played a crucial or important role in helping someone with an illness, only 22% said they felt overwhelmed by the volume of information. With the stakes high — offering help to another person about a major illness — one might have expected higher levels of anxiety about sorting through such information.

The internet aids decision-making by connecting people to information

By what means does the internet play a helpful role? The internet offers access to websites and email allow users to connect to people directly. Online communities often function as information clearinghouses that let people compare options, find experts, or share information among people who have recently encountered similar circumstances.

The March 2005 survey asked specifically what made the internet play a large role in a decision. The table below shows how respondents — the 39% who said the internet played a crucial or important role in one of the five key decisions — characterized the specific role the internet played in aiding decision-making.

The internet's largest impact comes in connecting people to other people for advice or sharing valuable experiences. For about one-third (34%) of those who used the internet in a key way in a decision, the internet's capacity to let users draw on social networks was part of the decision-making dynamic. The "social network" effect is still larger for the 28% who said the internet connected them to expert services, at least to the extent that they were able to contact specific individuals for help,.

The Internet's Role in Making an Important Decision	
What specific role did the internet play in the event for which the internet played an important or crucial role?	
For respondents who said the internet played a crucial or important role in buying a car, making a major investment, getting additional career training, choosing a school for self or child, or helping someone with a major illness or health condition.	
Help you find advice and support from other people	34%
Help you find information or compare options	30
Help you find professional or expert services?	28
Source: Pew Internet & American Life Project March 2005 Survey. The margin of error $\pm 5\%$ for the 560 respondents to this question.	

Broadband's role in expanding the internet's decision-aiding role

As noted earlier, the March 2005 survey repeated questions asked in January 2002 about the major moments people had encountered.¹ In 2002, 45 million Americans, or 40% of internet users, said the internet played a crucial or important role in at least one of the eight decision points asked about. That number increased by one-third, to 60 million, by March 2005, and the share of online users for which the internet played a key role in a decision rose to 45%.

The Growing Role of the Internet in Decision-Making		
Number of Americans for whom the internet was crucial or important at major moments		
Activity	2005	2002
Gotten additional training for your career	21 million	14 million
Helped another person with a major illness or medical condition	17	11
Chosen a school or college for yourself or your child	17	12
Bought a car	16	13
Made a major investment or financial decision	16	11
Found a new place to live	10	7
Changed jobs	8	7
Dealt yourself with a major illness or other health condition	7	5
Sources: Pew Internet & American Life Project March 2005 Survey. N=1,450 for internet users. The January 2002 survey contained 1,415 internet users. The margin of error $\pm 3\%$ for the sample of internet user in both surveys.		

One possible reason for this increase is the growth in broadband penetration between 2002 and 2005. In January 2002, 17% of home internet users, or 9% of all Americans, connected to the internet using high-speed connections. By March 2005, 50% of home internet users connected to the internet using broadband, or 30% of all Americans. This means that the number of home broadband

¹ See Nathan Kammers and Lee Rainie, "Use of the Internet in Major Life Moments", May 2002, available online at http://www.pewinternet.org/PPF/r/58/report_display.asp.

users in the United States roughly tripled from the beginning of 2002 to early 2005 — an increase from 18 million in January 2002 to 60 million by March 2005.²

It seems likely that the convenience of broadband draw more users to the internet to deal with some decision. And, as expected, in both surveys, having a broadband connection had a significantly positive impact on the likelihood that the internet played a major role in at least one of the eight decisions, even when controlling for a variety of the respondent's demographic characteristics. In 2002, 56% of high-speed users said the internet played an important or crucial role in at least one decision compared with 39% of dial-up users. In 2005, that share was basically the same, with 57% of high-speed users saying the internet played a crucial or important role in at least one decision, versus 38% of dial-up users.

But broadband is probably not the entire story behind the growth in internet-assisted decision making. Better online content or more widely advertised web sites also might have drawn some people to the internet when they were faced with a big decision. Since people draw on other people in using the internet for decisions, there could also be a network effect in play. As more people seek out other people to help with decisions, and find the experience beneficial, online "word of mouth" might draw others to the internet for help when confronted with a big decision.

² Broadband adoption at home in the most recent survey of the Project in January 2006 stood at 39% of the entire U.S. adult population, or roughly 79 million people.

Questions from the survey

February 2005 Daily Tracking Survey

Final Topline

3/24/05

Data for February 21 – March 21, 2005

Princeton Survey Research Associates International
for the Pew Internet & American Life Project

Sample: $n = 2,201$ adults 18 and older

Interviewing dates: 02.21.05 – 03.21.05

Margin of error is plus or minus 2 percentage points for results based on the full sample [$n=2,201$]

Margin of error is plus or minus 3 percentage points for results based on internet users [$n=1,450$]

BIG01 Now I'd like to ask you about some important decisions or changes that may have occurred in your life. In the last two years have you...?

BIG02 Thinking about the process you went through as you made this decision or dealt with this event, would you say the Internet played a **crucial** role in this, an important role, a minor role, or no role at all?³

Based on Internet users [N=1,450]

	TOTAL YES	----- YES, CRUCIAL ROLE	----- YES, IMPORTANT ROLE	----- YES, MINOR ROLE	----- YES, NO ROLE AT ALL	NO	DON'T KNOW/ REFUSED
a Bought a car							
Current	46	5	7	10	23	54	*
January 2002	45	5	7	10	23	55	*
b Made a major investment or financial decision							
Current	41	5	7	10	19	59	1
January 2002	35	3	7	9	16	65	*
c Gotten additional education or training for your career							
Current	39	8	7	11	13	61	0
January 2002	41	5	7	11	18	58	*
d Chosen a school or college for yourself or your child							
Current	29	7	6	7	10	71	*
January 2002	28	3	7	9	9	72	*
e Helped another person deal with a major illness or health condition							
Current	49	4	8	12	24	51	*
January 2002	39	3	7	12	17	61	*

³ Question wording for BIG02 in January 2002 trends as follows: "Thinking about how you came to do this, would you say the Internet played a crucial role in this, an important role, a minor role, or no role at all?"

BIG04 We'd like to know the specific role the internet played in that decision or event.
Did the internet mostly...

Based on those for whom internet played 'crucial' or 'important' role in major moment in past two years

	TOTAL		BOUGHT CAR	MADE INVEST/ FIN DEC	GOT EDUC/ TRAINING FOR CAREER	CHOSE SCHOOL OR COLLEGE	HELPED SOMEONE WITH MAJOR ILLNESS
%	34	Help you find advice or support from other people	26	36	34	35	36
	30	Help you find information or compare options	36	34	30	28	26
	28	Help you find professional or expert services	30	23	23	29	34
	5	Something else (VOL)	7	3	8	4	4
	3	Don't know/Refused	1	3	5	5	1
	[n=560]		[n=108]	[n=87]	[n=126]	[n=109]	[n=130]

BIG05 At any point during this process, did you get BAD information or advice on the internet that made your experience more difficult, or wasn't this a problem for you?

Based on those for whom internet played 'crucial' or 'important' role in major moment in past two years

	TOTAL		BOUGHT CAR	MADE INVEST/ FIN DEC	GOT EDUC/ TRAINING FOR CAREER	CHOSE SCHOOL OR COLLEGE	HELPED SOMEONE WITH MAJOR ILLNESS
%	5	Yes, got bad information or advice	2	5	8	5	6
	94	No, wasn't a problem for me	98	95	91	95	91
	1	Don't know/Refused	0	0	1	0	3
	[n=560]		[n=108]	[n=87]	[n=126]	[n=109]	[n=130]

BIG06 Thinking about all of the different sources of information you used as you went through this process, was the most important source something you found ON THE INTERNET or something you found OFFLINE?

Based on those for whom internet played 'crucial' or 'important' role in major moment in past two years

	TOTAL		BOUGHT CAR	MADE INVEST/ FIN DEC	GOT EDUC/ TRAINING FOR CAREER	CHOSE SCHOOL OR COLLEGE	HELPED SOMEONE WITH MAJOR ILLNESS
%	57	Something found on the internet	65	55	54	55	58
	37	Something found offline	28	40	40	41	38
	6	Don't know/Refused	7	4	7	4	5
	[n=560]		[n=108]	[n=87]	[n=126]	[n=109]	[n=130]

BIG03 Which of these important life decisions or events happened most recently?

Based on those who said internet was 'crucial' or 'important' in more than one major moment in past two years [N=231]

	CURRENT	
%	20	Bought a car
	20	Made a major investment or financial decision
	22	Got additional education or training for your career
	23	Chose a school or a college for yourself or your child
	15	Helped another person deal with a major illness or health condition
	1	Don't know/Refused

BIG04 We'd like to know the specific role the internet played in that decision or event. Did the internet mostly...

Based on those for whom internet played 'crucial' or 'important' role in major moment in past two years

	TOTAL		BOUGHT CAR	MADE INVEST/ FIN DEC	GOT EDUC/ TRAINING FOR CAREER	CHOSE SCHOOL OR COLLEGE	HELPED SOMEONE WITH MAJOR ILLNESS
%	34	Help you find advice or support from other people	26	36	34	35	36
	30	Help you find information or compare options	36	34	30	28	26
	28	Help you find professional or expert services	30	23	23	29	34
	5	Something else (VOL)	7	3	8	4	4
	3	Don't know/Refused	1	3	5	5	1
	[n=560]		[n=108]	[n=87]	[n=126]	[n=109]	[n=130]

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Based on those for whom internet played 'crucial' or 'important' role in major moment in past two years

	TOTAL		BOUGHT CAR	MADE INVEST/ FIN DEC	GOT EDUC/ TRAINING FOR CAREER	CHOSE SCHOOL OR COLLEGE	HELPED SOMEONE WITH MAJOR ILLNESS
%	5	Yes, got bad information or advice	2	5	8	5	6
	94	No, wasn't a problem for me	98	95	91	95	91
	1	Don't know/Refused	0	0	1	0	3
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	[n=560]		[n=108]	[n=87]	[n=126]	[n=109]	[n=130]

Methodology

This report is based on the findings of a daily tracking survey on Americans' use of the Internet. The results in this report are based on data from telephone interviews conducted by Princeton Survey Research Associates International from February 21 to March 21, 2005, among a sample of 2,201 adults, 18 and older. For results based on the total sample, one can say with 95% confidence that the error attributable to sampling and other random effects is plus or minus 2.3 percentage points. For results based Internet users (n=1,450), the margin of sampling error is plus or minus 2.8 percentage points. In addition to sampling error, question wording and practical difficulties in conducting telephone surveys may introduce some error or bias into the findings of opinion polls.

The sample for this survey is a random digit sample of telephone numbers selected from telephone exchanges in the continental United States. The random digit aspect of the sample is used to avoid "listing" bias and provides representation of both listed and unlisted numbers (including not-yet-listed numbers). The design of the sample achieves this representation by random generation of the last two digits of telephone numbers selected on the basis of their area code, telephone exchange, and bank number.

New sample was released daily and was kept in the field for at least five days. The sample was released in replicates, which are representative subsamples of the larger population. This ensures that complete call procedures were followed for the entire sample. At least 10 attempts were made to complete an interview at sampled households. The calls were staggered over times of day and days of the week to maximize the chances of making contact with a potential respondent. Each household received at least one daytime call in an attempt to find someone at home. In each contacted household, interviewers asked to speak with the youngest male currently at home. If no male was available, interviewers asked to speak with the oldest female at home. This systematic respondent selection technique has been shown to produce samples that closely mirror the population in terms of age and gender. All interviews completed on any given day were considered to be the final sample for that day.

Non-response in telephone interviews produces some known biases in survey-derived estimates because participation tends to vary for different subgroups of the population, and these subgroups are likely to vary also on questions of substantive interest. In order to compensate for these known biases, the sample data are weighted in analysis. The demographic weighting parameters are derived from a special analysis of the most recently available Census Bureau's 2003 Annual Social and Economic Supplement (March 2004). This analysis produces population parameters for the demographic characteristics of adults age 18 or older, living in households that contain a telephone. These parameters are then compared with the sample characteristics to construct sample weights. The weights are derived using an iterative technique that simultaneously balances the distribution of all weighting parameters.

Following is the full disposition of all sampled telephone numbers:

Sample Disposition		
Total Numbers dialed	13,805	
Business	1,053	
Computer/Fax	915	
Other Not-Working	2,619	
Additional projected NW	961	
Working numbers	8,257	59.8%
No Answer	259	
Busy	61	
Answering Machine	1,586	
Callbacks	230	
Other Non-Contacts	167	
Contacted numbers	5,954	72.1%
Initial Refusals	2,619	
Second Refusals	652	
Cooperating numbers	2,683	45.1%
No Adult in HH	22	
Language Barrier	277	
Eligible numbers	2,384	88.9%
Interrupted	183	
Completes	2,201	92.3%
Response Rate		30.0%

PSRAI calculates a response rate as the product of three individual rates: the contact rate, the cooperation rate, and the completion rate. Of the residential numbers in the sample, 72 percent were contacted by an interviewer and 45 percent agreed to participate in the survey. Eighty-nine percent were found eligible for the interview. Furthermore, 92 percent of eligible respondents completed the interview. Therefore, the final response rate is 30 percent.