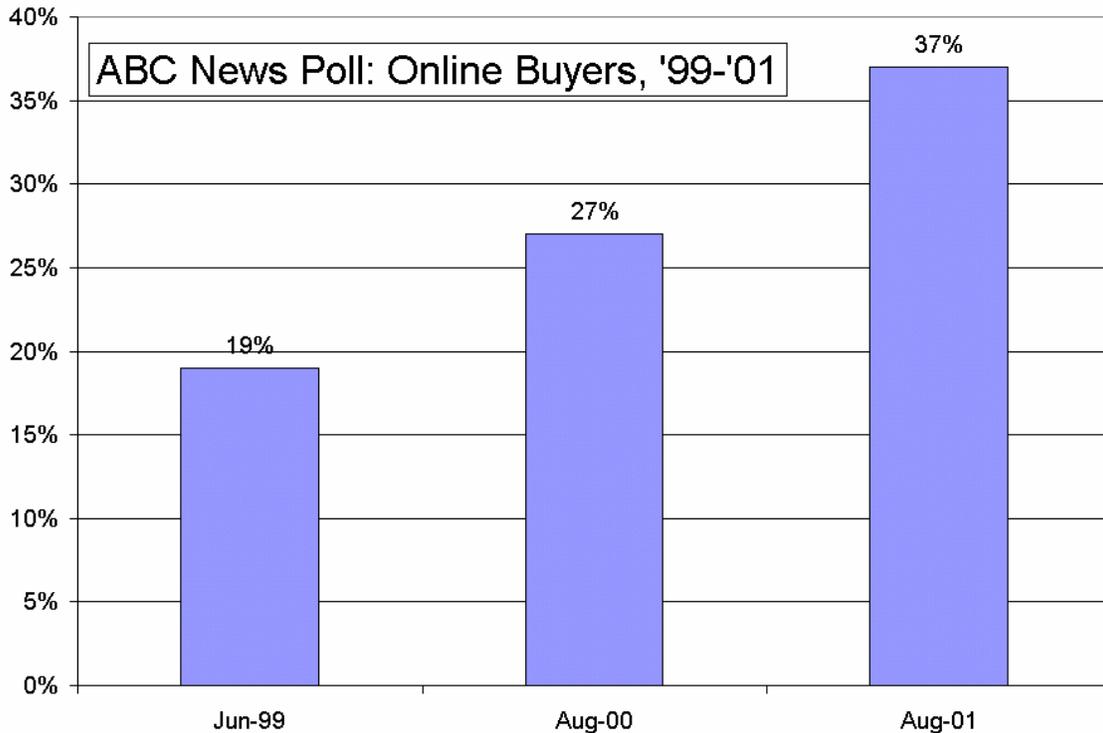


Online Buying Advances, Despite the Internet Meltdown

Even as the internet industry struggles through its shakeout, e-commerce has gained broader public acceptance: More than a third of Americans have now bought something online, double what it was two years ago.

Thirty-seven percent of the public has made a purchase over the internet, a national, random-sample telephone survey for ABCNews.com finds – up 10 points since last August, and twice the level of summer 1999.

	Bought online?	
	Yes	No
Now	37%	63
8/13/00	27	73
6/20/99	19	80



Increasing participation in e-commerce is a bolt of sunshine in the gloom of the internet industry: Webmergers.com reports that more than 590 internet companies have gone belly-up since the start of 2000. But it also says consolidation has slowed, with internet shutdowns steady in June and down in July to their lowest level since September 2000.

TROUBLE – There’s also a troubling side to the data, however: Inequality among demographic groups in e-commerce participation has increased markedly across income, age and race lines. These probably relate, at least in part, to internet access.

The greatest gap is among income groups. Fifty-six percent of people in over-\$50,000 households have made an online purchase, compared to only 15 percent of those in under-\$25,000 households. And this 41-point gap has grown from 28 points two years ago.

Similarly, half those with at least some college education have shopped online, compared with only seven percent of people who lack a high school diploma.

		Bought Online?			Difference
		8/01	8/00	6/99	'99-'01
	Men	40%	30	25	+15
	Women	33	23	14	+19
Age	18-64	42	30	23	+19
	65+	11	6	2	+9
Earn	>\$50k	56	46	32	+24
	<\$25k	15	11	4	+11
Region	Northeast	35	28	17	+18
	South	32	23	16	+16
	Midwest	38	26	11	+17
	West	47	34	35	+12

AGE, RACE – Young adults are only a bit more apt than their middle-aged counterparts to have made an online purchase. But online buying drops sharply among those 55 and older, and falls even more sharply among those 65-plus. Growth in online buying since 1999, moreover, is much weaker among older Americans.

And while nearly four in 10 white Americans have become e-consumers, barely over one in 10 black Americans have followed suit.

SEX, REGION – The gap between the sexes is less broad: Four in 10 men have bought something online (up 15 points since 1999), as have 33 percent of women (up 19 points).

Finally, the West – home to Silicon Valley – holds the regional crown when it comes to e-commerce. Nearly half of those living in the West have shopped online, more than in any other region.

METHODOLOGY - This ABC News.com survey was conducted by telephone August 15-19, 2001, among a random national sample of 1,023 adults. The results have a three-point error margin. Sampling, data collection and tabulation by TNS Intersearch of Horsham, Pa.

Analysis by Jesse F. Derris.

ABC News polls can be found at ABCNEWS.com on the Internet at:

<http://www.abcnews.com/sections/us/PollVault/PollVault.html>

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Here are the full results:

105. Have you ever bought anything over the Internet, or not?

	Yes	No	No opin.
8/19/01	37	63	0
8/13/00	27	73	0
1/26/00	27	73	0
6/20/99	19	80	1

End