

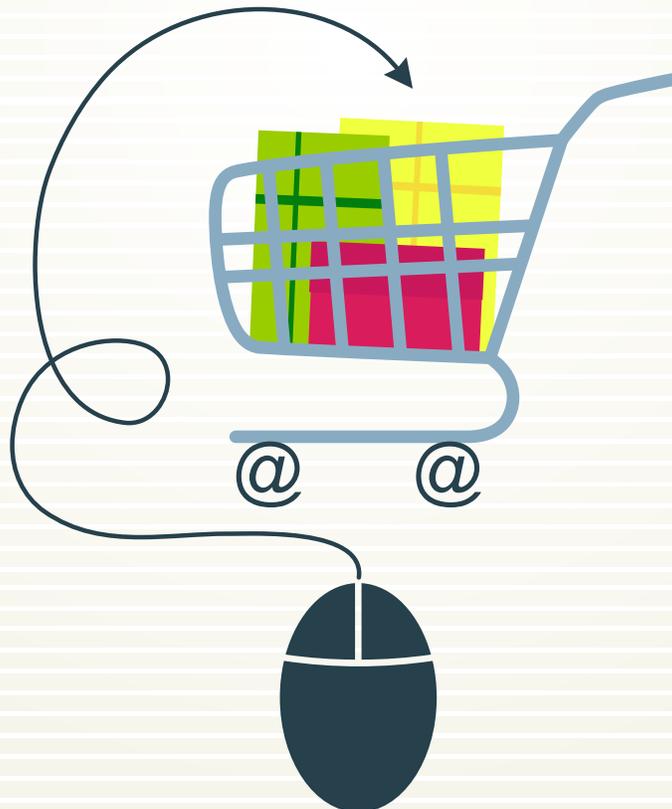
Online Shopping in Texas

The first known online order came in 1994 for a pizza.¹ Since that time, broadband has changed the entire shopping experience for Americans, from communicating with retailers to hunting for bargains. In the United States, 78% of shoppers go online to purchase and research products and services, and a recent Forrester Research report estimated that online retail sales in the United States will reach nearly \$370 billion by 2017.^{2,3}

Connected Texas conducted a residential technology assessment in 2012 to explore how Texans use the Internet. Based on the survey, approximately 15.5 million Texas adults use the Internet, and one of the most popular applications is researching or purchasing goods or service online, also known as online shopping. Statewide, approximately 11.4 million Texas adults made some sort of purchase online over the past 12 months.

There are some striking differences between online shoppers in Texas and the rest of the state. The median household income of online shoppers is nearly \$17,000 higher than the state average. Nine out of ten online shoppers (90%) live in urban or suburban portions of the state, while 80% have a college education.

	Median Household Income	Reside in Urban or Suburban Counties	College Educated
Use the Internet for online shopping	\$67,290	90%	80%
Statewide⁴	\$50,920	73%	55%



1 Time Magazine "A Brief History of Online Shopping," <http://www.time.com/time/business/article/0,8599,2004089,00.html>

2 TechCrunch "Forrester: U.S. Online Retail Sales To Rise To \$370BN By 2017 (10% CAGR) As Ecommerce Motors On With Help From Tablets & Phones," <http://techcrunch.com/2013/03/13/forrester-2012-2017-ecommerce-forecast/>

3 Cisco "Eight Out of 10 Consumers Shop Through Bits and Bytes, According to Cisco Study," <http://newsroom.cisco.com/release/1128065>

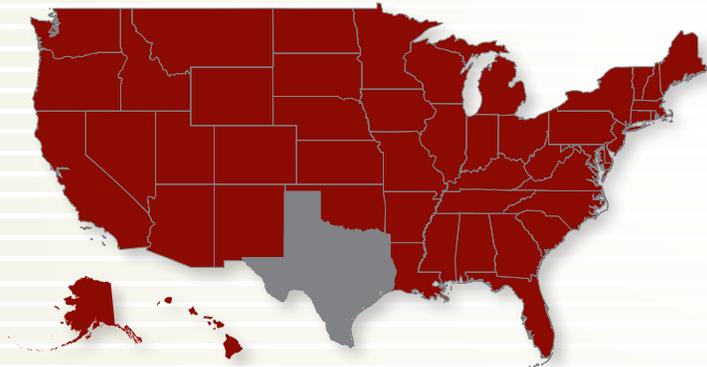
4 American Community Survey 2007-2011, <http://factfinder2.census.gov/>



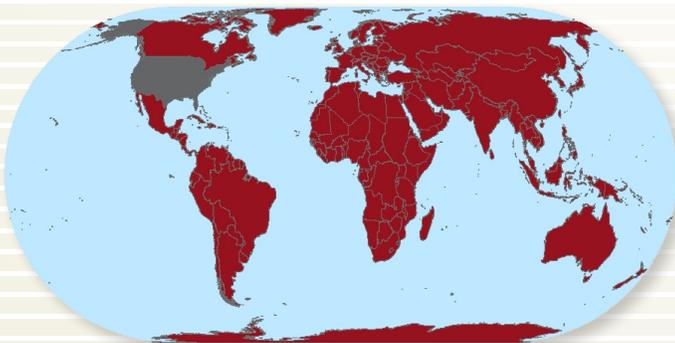
Texans use the Internet to place **173 million** orders per year worth **\$11.3 billion** per year!



Nearly two out of five adult Texans (38%, or 7.1 million Texans) use the Internet to order goods or services from Texas businesses. Over the past 12 months, each Texas online shopper used the Internet to place an average of 9 orders worth \$614.09 for goods or services provided by Texas-based businesses. **This translates into 63.9 million orders worth \$4.4 billion per year for Texas businesses.**



Almost one-half of adult Texans (45%, or 8.4 million Texans) use the Internet to order goods or services from American businesses in states other than Texas. Over the past 12 months, each Texas online shopper used the Internet to place an average of 12 orders worth \$754.40 for goods or services provided by American businesses in states other than Texas. **This translates into 101 million orders worth \$6.3 billion per year for American businesses in states other than Texas.**



Nearly one in ten adult Texans (9%, or 1.6 million Texans) use the Internet to order goods or services from companies based outside of the United States. Over the past 12 months, each Texas online shopper used the Internet to place an average of 5 orders worth \$404.33 for goods or service with international businesses. **This translates into 8 million orders valued at \$647 million per year for businesses based outside of America.**

This survey was conducted as part of the State Broadband Initiative (SBI) grant program, funded by the National Telecommunications and Information Administration (NTIA). The SBI grant program was created by the Broadband Data Improvement Act (BDIA), unanimously passed by Congress in 2008 and funded by the American Recovery and Reinvestment Act (ARRA) in 2009.

To learn more about Connected Texas please visit www.connectedtx.org or e-mail us at info@connectedtx.org.