

Information and Communication Technology (ICT): Activity of UK Businesses, 2006

Based on the results of the 2006 e-commerce Survey of Business

Structure of this report:

Key findings

1. Introduction
2. Data Summary
3. Access Information
4. Sales over the Internet
5. Purchases over the Internet
6. Sales and Purchases over non-Internet ICTs
7. Use of other ICTs

Background Notes - including selection and quality information.

Key findings:

- **The value of Internet sales rose by just over 29 per cent** between 2005 and 2006, from £101bn to £130.4bn, while the **proportion of businesses selling on-line rose by 4.5 per cent** from 13.3 per cent to 13.9 per cent.
- **Internet sales represented 6.5 per cent of the total sales** of non-financial businesses in 2006, compared with **5.4 per cent in 2005** and **1.1 per cent in 2002**.
- Between 2005 and 2006, **Internet purchases rose by just over 34 per cent** from £76.3bn to £102.5bn, while the **proportion of businesses purchasing on-line rose by just under 1 per cent** to 56.3 per cent.
- **Internet purchases represented 7.4 per cent of the total purchases** of non-financial businesses compared with **5.9 per cent in 2005** and **1.4 per cent in 2002**.
- **Sales over other ICTs**, for example, non-Internet Electronic Data Interchange (EDI), automated telephone systems and email, **rose by 9.7 per cent** from £204.3bn in 2005 to £224.2bn in 2006.
- **In 2006, sales over other ICTs represented 63 per cent of the value of sales over all ICTs, a near thirty per cent reduction on the 2002 estimate of 90 per cent.**
- **Sales and purchases over any type of ICT** (Internet or other) represented **17.7 per cent and 27.1 per cent of total sales and purchases respectively**, in 2006.
- Over **39 per cent** of businesses reported having software applications to manage the **placing or receiving of orders**.
- **70 per cent** of businesses **had a website** in 2006, a rise of just over 1 per cent since 2005.
- The proportion of businesses using the **Internet to interact with public authorities** was just over **52 per cent**, a 4 per cent rise.
- Just over **1 in 20 businesses used Enterprise Resource Planning (ERP) software** in 2006.
- Just over **1 in 10 businesses used Customer Relationship Management (CRM) software** to share information about customers with other internal business functions.
- Nearly **1 in 5 businesses employed ICT specialists**.

1. Introduction

This report provides a rich source of information on the adoption and use of ICTs and is based on the Office for National Statistics' (ONS) annual e-commerce survey. The survey is run in all countries of the European Union (EU) and also in some non-EU countries. As interest in ICT changes the survey develops and, as in previous years, the survey, and this annual report, reflect those changes. Time series are provided where this is possible.

Because of limited interest, businesses with less than 10 employment have been excluded from the sample since the 2005 survey. This had an effect on the estimates due to the relatively low ICT activity among smaller businesses and the number of businesses of that size. All estimates presented in this report, therefore, relate to businesses with 10 or more employment and are compared with previous years on that basis.

As in previous years, due to the complexity of value measurement in the Banking and Financial sector, estimates of the proportions of businesses buying and selling over ICTs, and the values of their sales and purchases, exclude the activities of this sector's businesses.

During the last year, the survey underwent a thorough review to assess its compliance with National Statistics standards. As a result, the experimental status that had been allocated to these estimates since the 2002 survey, has been removed, effective from the 2006 survey. It should be noted however, that internationally, the measurement of ICT use is still in its relative infancy and a number of definitional and developmental issues are still being resolved. Full background and explanatory notes, and information relating to the quality of these estimates, can be found at the end of this report.

The ONS also publishes related reports on business and household connections to the Internet and the use of the Internet by households and individuals. Links to these reports can be found in the background notes.

Comparative data for European countries can be found at <http://epp.eurostat.ec.europa.eu>.

2. Data Summary

As in previous years, the value data estimates are heavily influenced by a small number of the largest businesses that are very active in the use of ICTs. This dominance by a few is common to many surveys.

The level and use of ICTs varies considerably between businesses of different size and different economic activity.

As an overview, businesses continue to adopt ICTs: more businesses more actively use the technology they have; more employees have access to the Internet from their work place and more is being bought and sold on-line, by more businesses. While more businesses also have a website, this is an area where saturation is being reached by most business groups surveyed. Saturation is also being reached by most business groups in areas such as computer use, Internet access and use of broadband. For these more established ICTs, the gap between large and small businesses is reducing.

After an initial period when the adoption and use of ICTs was very strongly led by the largest businesses, smaller businesses are now reporting a larger take-up, slowly closing the gap on the early adopters of ICTs. It remains the case, however, that the largest businesses are first to adopt new technology, for example businesses with 1000 or more employment reported much higher use of software applications for business operations, reflecting the greater focus on the potential for ICT to leverage productivity.

While more businesses sold over ICTs of all kinds in 2006, the share of those selling over the Internet continued to rise at a faster rate than over non-Internet ICTs. The share of Internet sales of the total sales over all ICTs rose from 33.1 per cent in 2005 to 36.8 per cent in 2006.

Estimates in this report relate to 2006, and year on year comparisons are between 2005 and 2006, unless otherwise stated.

3. Access Information (tables A1 and C7)

Access to the Internet

- The number of people with access to a computer at work stood at 8.5m, a rise of 3.7 per cent from the 2005 figure of 8.2m.
- Those able to access the Internet from work rose by 6.2 per cent from 6.5m to 6.9m.
- The increases above are smaller than the increases between 2004 and 2005.

Why Businesses Access the Internet

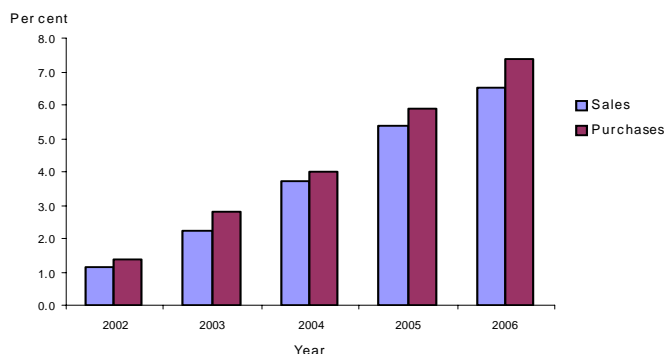
- 68.6 per cent of businesses used the Internet to access banking and/or financial services, a rise of 11.5 per cent.
- More than a quarter of businesses (26.1 per cent) used the Internet for training and/or education purposes.

4. Sales over the Internet (tables B1, B8 and C1)

- The value of Internet sales has grown consistently over the years covered by this report, although the rise as a proportion of the total becomes less spectacular as the values of total sales have increased.
- Sales over the Internet accounted for 6.5 per cent of the total value of sales by businesses in the non-financial sector in 2006, compared with 5.4 per cent in 2005 and 1.1 per cent in 2002.
- The value of sales over the Internet, at £130.4bn in 2006, represented 36.8 per cent of sales over all kinds of ICTs, increasing from 33.1 per cent in 2005 and 10.4 per cent in 2002.
- The rise in Internet sales, from £101bn in 2005, represented an increase of 29.1 per cent.
- The proportion of businesses reporting that they had sold on-line rose by 4.5 per cent to 13.9 per cent in 2006.

This continues the recent pattern that not only are more businesses selling on-line, but that they are also selling more.

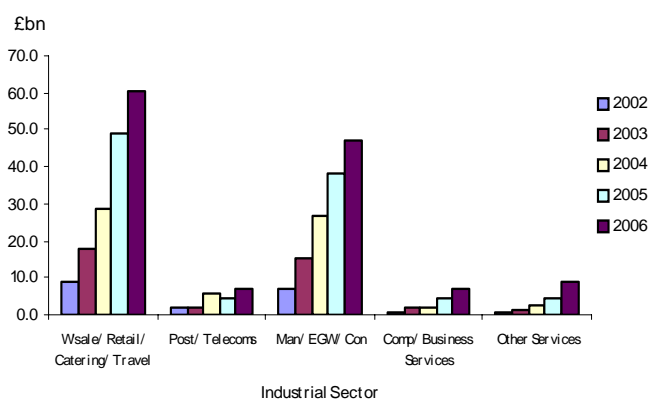
Internet sales and purchases as a proportion of all sales and purchases, 2002 to 2006



Sales by Broad Industrial Sector (table B1)

- The on-line sales of businesses with 10 or more employment in the Manufacturing sector rose to £47.4bn, a 23 per cent rise when compared with 2005.
- The Wholesale, Retail, Catering and Travel sector reported £60.7bn of sales over the Internet, a 24 per cent rise, and remains the largest on-line seller, retaining its share of £47 in every £100 of on-line sales.
- The Other Services sector reported the largest relative year on year rise, of 87 per cent from £4.6bn in 2005 to £8.6bn in 2006. In cash terms this sector also had larger growth than both the Post and Telecommunications and the Computing, Renting, Real Estate and Other Business activities sectors.

Value of sales over the Internet by UK non-financial sector businesses, by broad industrial sector, 2002 to 2006



Sales by Size of Business (tables B1 and C1)

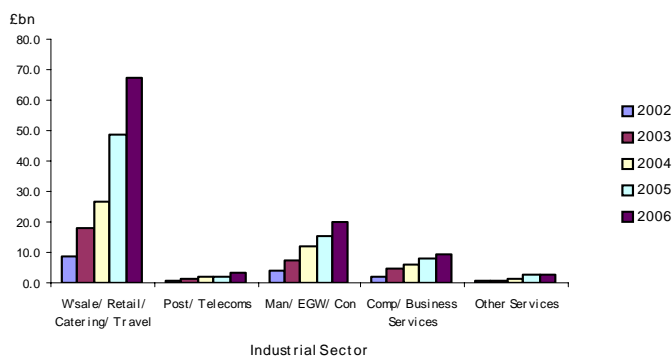
More was sold on-line by more businesses in all employment sizebands. Within that:

- Businesses with employment of 1000 or more accounted for £51 of every £100 sold on-line. This is up slightly on the 2005 figure but remains lower than in 2004 and 2003. This reflected the relatively large increase in the on-line sales of businesses with less than 1000 employment between 2005 and 2006.

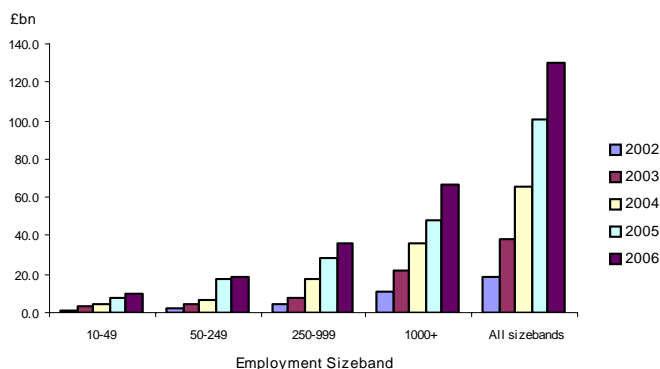
- While 13 per cent more businesses with employment of 1000 or more reported that they sold on-line, the total on-line sales of these businesses rose by 39 per cent.
- The second largest relative increase in the value of sales over the Internet between 2005 and 2006, was in businesses with 10 to 49 employment, with a rise of 31.9 per cent to £9.5bn. Over the period of this report businesses of this size have kept pace with those with employment of 1000 or more, both groups increasing more than six-fold between 2002 and 2006.
- Overall, the value of on-line sales rose by 29.1 per cent between 2005 and 2006 while just 4.5 per cent more businesses reported selling on-line.

- The Post and Telecommunications sector showed the largest relative year on year increase of 48 per cent, albeit from a very low base.

Value of purchases over the Internet by UK non-financial sector businesses, by broad industrial sector, 2002 to 2006



Value of sales over the Internet by UK non-financial sector businesses, by sizeband, 2002 to 2006



6. Sales and Purchases over non-Internet ICTs

Sales (tables B5 and C1)

- Sales over ICTs other than the Internet, for example via non-Internet EDI, automated telephone systems and email, rose from £204.3bn in 2005 to £224.2bn in 2006.
- This rise in 2006 represented 9.7 per cent of the 2005 figure.
- The proportion of businesses reporting sales over ICTs other than the Internet also rose, from 17.7 per cent of businesses in 2005 to 17.9 per cent in 2006.
- Sales over non-Internet ICTs accounted for £63 in every £100 of the total sales over all ICTs. This continues the pattern seen over the period of this report of non-Internet ICT sales losing its share of the total of all ICT sales, albeit from a high base. However, non-Internet ICT sales still represented a significant majority of the £354.6bn total of all ICT sales in 2006. This suggests that customers continued to move to the Internet, rather than other ICT media, to buy products and services.
- For comparison, sales over the Internet rose by £29.4bn, from £101bn to £130.4bn, or 29.1 per cent, while sales over other ICTs rose by £19.9bn, from £204.3bn to £224.2bn, or 9.7 per cent, between 2005 and 2006.

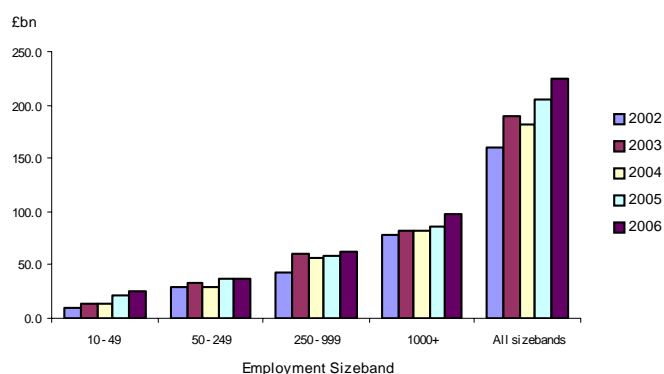
5. Purchases over the Internet (tables B2, B8 and C1)

- Internet purchases represented 7.4 per cent of the total purchases of non-financial businesses compared with 5.9 per cent in 2005 and 4 per cent in 2004.
- Businesses purchased £102.5bn worth of products and services over the Internet in 2006.
- Purchases on-line rose by 34.3 per cent from the 2005 figure of £76.3bn.
- The proportion of businesses reporting that they had bought on-line rose by just under 1 per cent to 56.3 per cent. This compares with only 13.9 per cent of businesses reporting sales on-line.

Purchases by Broad Industrial Sector (table B3)

- All sectors of the economy showed a year on year increase in their purchases over the Internet.
- Since 2002, the Wholesale, Retail, Catering and Travel sector has consistently purchased more than any other sector on-line. In 2006, £66 of every £100 of the £102.5bn total, were purchased by this sector, up from £64 in 2005.
- The Manufacturing sector spent nearly £20 of every £100 spent on-line, and were the second biggest on-line spenders.

Value of sales over non-Internet ICTs by UK non-financial sector businesses, by sizeband, 2002 to 2006



- The highest value of sales over ICTs other than the Internet was reported by the Manufacturing sector at £104.3bn, or £47 in every £100 spent, a 5.7 per cent fall in such sales.
- The second largest figure for non-Internet ICT sales was reported by the Wholesale, Retail, Catering and Travel sector, reporting a rise of 27 per cent from £71.6bn to £91.1bn, or £41 in every £100.

Purchases (tables B7 and C1)

For the second year the survey covered the value of non-Internet purchases.

- £275.1bn worth of goods and services were bought using non-Internet ICTs. This compares with the £224.2bn worth of sales reported above.
- The proportion of businesses that bought using non-Internet ICTs in 2006 was down marginally on 2005, from 18.5 per cent to 17.7 per cent. This represents a 4 per cent fall and confirms that the level has stabilised at around 18 per cent over the last four years.
- The value of non-Internet purchases represented 73 per cent of the total ICT purchases of £377.6bn.

7. Use of Other ICTs

Internet Access (tables C3 and C4)

Internet access is an example of where saturation has been reached by the largest businesses, while the smaller businesses have been catching up.

- Over 99 per cent of the largest businesses had Internet access every year since 2002.
- Over this same period, Internet access by smaller businesses has continued to grow. 88.4 per cent of the smallest businesses, with employment of 10 to 49, had Internet access in 2006, increasing from 75.4 per cent in 2002.

Type of Internet Connection (tables C5 and C6)

The definition of a broadband connection is given in the appropriate tables for each year. The following estimates reflect the fact that some businesses reported more than one type of Internet connection.

Of the businesses surveyed:

- a broadband connection was in use by nearly 74 per cent of businesses.
- a broadband connection using a Digital Subscriber Line (DSL) was in use by just over 70 per cent, up 4 per cent.
- other fixed broadband Internet connections were used by just over 13 per cent.
- just over 29 per cent used a mobile connection, up 27 per cent, the largest increase in the type of connections used.

- dial-up was in use by just over 28 per cent, down 17 per cent.
- an Integrated Services Digital Network (ISDN) was used by nearly 29 per cent, down marginally on 2005.

The quarterly Index of Internet Connectivity release, reports details of the types and speeds of all Internet connections (household and business) from 2001 (see background notes for links).

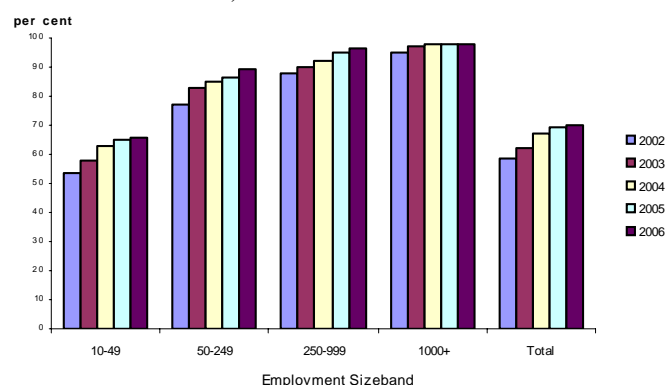
Websites (tables C9 and C10)

- 70 per cent of businesses reported that they had a website in 2006. This is just over 1 per cent higher than the 2005 figure.
- Across all sizes of business, the picture is one of considerable slow down in the growth of businesses reporting that they had a website, leaving the position pretty much unchanged year on year.
- At the two extremes, more than 98 per cent of businesses with employment of 1000 or more reported having a website, while just under 66 per cent of those with employment of 10 to 49 reported having a website.
- By sector, the Post and Telecommunications sector reported the largest percentage of businesses with a website at 93.6 per cent, while the Other Services sector reported the lowest percentage, at 59.4 per cent.

Of the businesses surveyed, excluding the Banking and Financial sector:

- 61.3 per cent used their website for marketing their business' products or services.
- nearly 38 per cent used their website to provide catalogue and price list information.
- nearly 16 per cent used their website to offer after-sales support.

Businesses with a website, 2002 to 2006



Interaction with Public Authorities - for example Government Departments and Local and Regional Authorities (tables C15 and C16)

- More than 52 per cent of businesses used the Internet to interact with public authorities in 2006, a

4 per cent rise. This rise is fairly typical across the various types of interactions covered by the survey.

- Businesses interacted with public authorities for a range of purposes, for example obtaining information, returning forms and e-tendering.
- Larger businesses used the Internet to interact with public authorities more than smaller businesses, ranging from 48.5 per cent among businesses with 10 to 49 employment, to 78.4 per cent for those with 1000 or more employment.
- Businesses in the Post and Telecommunications sector used the Internet to interact with public authorities most, 79.1 per cent did so in 2006.
- Businesses in the Wholesale, Retail, Catering and Travel sector interacted least, nearly 44 per cent did so in 2006.
- Nearly 1 in 10 businesses submitted a proposal in an e-tender system.

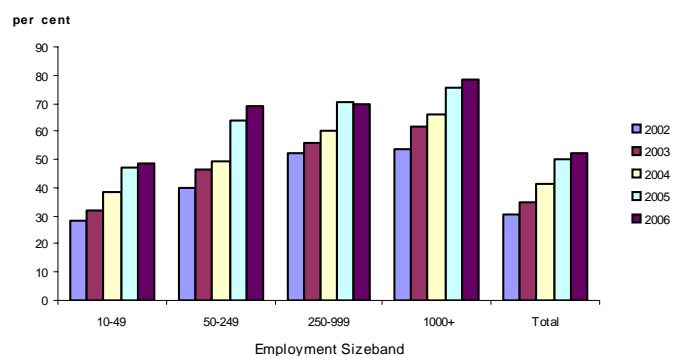
- Systems to manage production, service operations, logistics or delivery systems were used by a little under 19 per cent of businesses.
- Invoicing or payment software applications were in use by 24 per cent of businesses.
- Nearly 12 per cent of businesses had software to link to their suppliers' ordering or business systems.
- Software applications linked to customers' ordering or business systems were used by 11.5 per cent of businesses.
- Nearly 14 per cent of businesses reported that they had software applications linked to internal systems for re-ordering replacement supplies.

The largest businesses continue to lead the way in the take-up and exploitation of these technologies.

ICT Networks (table C8)

- A little over 28 per cent of businesses used an intranet in 2006.
- Although at a lower level than intranet use, the percentage of businesses using an extranet rose by nearly 8 per cent, from 7.7 per cent to 8.3 per cent.
- More than 61 per cent of businesses used a wirebased Local Area Network (LAN) for linking their computers.
- Wireless Local Area Networks (WLAN) rose by more than 21 per cent in 2006, up from 21.4 per cent to 26 per cent.

Businesses using the Internet to Interact with Public Authorities, 2002 to 2006



Software Applications for Managing Orders (table C14)

While electronic sales, purchases and use of websites offer some high profile measures of the impact of ICTs, it is commonly recognised that the greatest potential for a positive impact is in productivity improvements through linking 'back room' systems electronically.

The survey asked businesses about the software applications they had for placing or receiving orders and how they linked to other systems, both within their business and with other businesses' systems.

- Over 39 per cent of businesses reported having software applications to manage the placement or receipt of orders.
- Within that, 81.5 per cent of businesses with 1000 or more employment and 34.4 per cent of businesses with 10 to 49 employment reported such systems.

Types of Automatically Linked Software Applications

Software applications, to manage the placing or receiving of orders, were automatically linked to other software applications as follows:

Use of Other Software (tables C1, C8 and C11)

For the first time in 2006, the survey covered questions about businesses' use of software for planning and about the use of free 'open source' software.

- A little more than 1 in 20 businesses used Enterprise Resource Planning (ERP) software.
- Larger businesses, employing 1000 or more, were 10 times more likely to use ERP than those with 10 to 49 employees; 37.2 per cent and 3.8 per cent respectively.
- Just over 11 per cent used Customer Relationship Management (CRM) software to share information about customers with other internal business functions.
- Nearly 11 per cent used CRM to analyse information about their customers for marketing purposes.
- Again, larger businesses exploited CRM software much more than smaller businesses.
- Just over 6 per cent used free or 'open source' operating systems.
- Nearly 9 per cent of businesses used a digital signature in any message sent.
- A little over 7 per cent of businesses used secure protocols (SSL/TLS) for on-line sales.

- Larger businesses, those with employment of 1000 or more, were nearly six times more likely to use secure protocols than businesses with 10 to 49 employment, 33.6 per cent and 5.7 per cent respectively.
- Almost 6 per cent of businesses sent, and more than 9 per cent received, e-invoices in a digital format that allowed for their automatic processing.

- 5 per cent of businesses used ICT specialists in a foreign country.
- In 3.3 per cent of businesses, this specialism was provided by a foreign affiliate.
- In 2.6 per cent of businesses, ICT specialism was provided by a non-affiliated foreign business.
- ICT specialism was sourced from EU countries (excluding the UK) by 3.2 per cent of businesses.
- ICT specialism was sourced from non-EU countries by 3.1 per cent of businesses.

ICT Skills (tables C17, C18 and C19)

With new technologies comes the need to source, develop and use new skills and specialisms.

User Skills

ICT user skills involve the use of generic software or sector-specific software and these skills are used in day to day activities to produce work output.

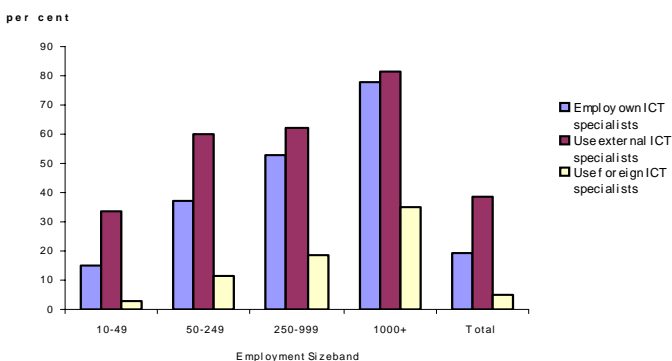
- 28.5 per cent of businesses recruited or tried to recruit people with ICT user skills.
- Nearly 4 per cent reported difficulty filling vacancies due to applicants' lack of ICT user skills.
- More than 34 per cent provide ICT user skills training to their employees.

Specialist Skills

ICT specialist skills involve specifying, designing, programming, maintaining (and other similar activities) ICT systems.

- Nearly one in five businesses had ICT specialist employees in 2006.
- 3 per cent of businesses reported having difficulty in recruiting ICT specialists.
- 20.6 per cent of businesses provided training to improve their employees' specialist ICT skills.

Businesses use of ICT Specialists, 2006



Use of External ICT Specialism

- Almost 39 per cent of businesses reported that they had used external ICT specialists to carry out ICT functions.

BACKGROUND NOTES

Basic Quality Information

1. Key issues specific to this release: The 2006 annual e-commerce survey provides information on UK businesses' use of information communication technologies (ICTs). The survey was sent to approximately 8,000 UK businesses with employment of 10 or more. Most economic sectors of the economy were covered (see 'Coverage').

The estimates in this article provide information to policy makers to help direct efforts to support ICT innovation, and to businesses to help them benchmark their own ICT use against other comparable businesses. The survey is part of a European Union (EU) initiative providing EU-comparable estimates on ICT use and e-commerce. The definition of e-commerce used is that agreed by the Organisation for Economic Co-operation and Development (OECD) and the EU: it is the method by which the order is placed which determines whether a transaction is e-commerce – not the payment or delivery channels.

The 2002 survey results were designated as experimental statistics due to the methodological and questionnaire developments that were taking place in the first few years of the survey. This status remained until the 2005 results were published. The survey has recently undergone an evaluation, and its methodological processes were compared with the criteria set by the Quality Centre, Methodology Directorate, Office for National Statistics. As a result of this review, the 2006 survey results are published with National Statistics status.

2. Link to Summary Quality Report: A Summary Quality Report for this publication is available at:

http://www.statistics.gov.uk/about/data/methodology/quality/information_business_statistics.asp This report describes, in detail, the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

Common pitfalls in interpreting the series

3. Related information: This report should not be confused with the Internet Access First Release. The latter is a separate release that contains estimates on Internet access and use of the Internet, by households and individuals.

4. Notes on tables: The estimates of the percentages of businesses published in this report are weighted to be consistent with the number and profile of businesses in the UK economy. Results weighted by business give an equal weight to every business irrespective of size. This method of calculation better reflects the contribution made by the large number of small businesses and is appropriate when assessing, for example, ICT penetration. Employment weighted results give weight to businesses relative to their size i.e. each business' employment as a share of the employment total. This method of calculation is most appropriate when assessing the dominance of large

businesses. Both business weighted and employment weighted estimates are provided in annexes C and D.

The annexes in this report contain tables as follows:

Annex A (table A1) contains estimates of the numbers of employees who used computers and the Internet.

Annex B (tables B1 to B8) contains estimates of the values of electronic trading.

Annex C (tables C1 to C19) contains estimates of proportions of businesses and the estimates are business weighted.

Annex D (tables D1 to D19) contains estimates of proportions of businesses and the estimates are employment weighted.

5. Rounding: All estimates in the tables are rounded to one decimal place.

6. Coverage: Most of the results from the e-commerce survey are based on the whole UK economy excluding the following sectors:

UK SIC(2003)

Div	Title
01	Agriculture
02	Forestry, logging and related activities
05	Fishing
10	Mining of coal and lignite and extraction of peat
11	Extraction of crude petroleum and natural gas
12	Mining of uranium and thorium
13	Mining of metal ores
14	Other mining, quarrying
75	Public administration, defence and social security
80	Education
90	Sewage and refuse disposal and similar activities
91	Membership organisations not elsewhere classified
95	Private households as employers of domestic staff
99	Extra-Territorial organisations

Banking and Financial sector businesses are excluded from estimates of the proportions of businesses buying and selling, and the values of their sales and purchases. A small number of estimates relating to ICT use also exclude the Banking and Financial sector, as shown in the appropriate table footnotes.

7. Definition of Broad Industrial Sectors: The following UK SIC(2003) Divisions define the broad sectors used in this report:

Manufacturing, Electricity, Gas and Water Supply and Construction - Div 15-45
Wholesale, Retail, Catering and Travel - Div 50-63
Post and Telecommunications - Div 64
Computing, Renting, Real Estate and Other Business Services - Div 70-74
Banking and Financial - SICs 65.12/1, 65.12/2, 65.22/2, 65.22/3, 65.22/9, 67.12/1, 67.12/2, 67.13, 67.2
Other Services - Div 85; 92-93.

Relevance to users

8. Sample information: In this release, estimates relate to businesses with 10 or more employment from most sectors of the economy (see Coverage section).

Businesses with employment of less than 10 were not included in the 2005 and 2006 surveys. These businesses had previously been included in the survey and the published estimates for 2002 to 2004. Therefore, estimates that relate to “all businesses” in this release are not comparable to estimates relating to “all businesses” in the releases that were published prior to the 2005 survey results.

The exclusion of the businesses with less than 10 employment has had an effect on the results published for 2005 and 2006, due to the relatively low ICT activity among smaller businesses and the number of businesses of that size. All estimates presented in this report, therefore, relate to businesses with 10 or more employment and are compared to previous years on that basis.

To ensure the best possible estimates are produced, the sample was re-optimised for this year’s survey. As a consequence, some minor discontinuity may occur due to the sampling changes made. This should be taken into account when making comparison with previous years’ estimates.

9. International developments: The measurement of e-commerce and ICT usage are still under development, both within the EU and worldwide, in the context of the Statistical Office of the European Communities (Eurostat) and OECD discussions. The outputs of the e-commerce survey are therefore likely to remain under development, and subject to change, for a number of years.

As a result of the developments in, and misreporting by businesses in the first two years results of the survey, relating to 2000 and 2001, comparison is not advisable with any estimates prior to 2002, even at an aggregate level.

Because of the difficulty in identifying and measuring the value of electronic trade in the Banking and Financial sector, estimates of the proportions of these businesses buying and selling electronically, and the values of their sales and purchases, are excluded.

Accuracy

10. Revisions to earlier years: As in previous years, estimates are subject to revision, and some 2004 and 2005 estimates have been revised by businesses contacted in the process of validating the 2006 data. Where this is the case, the estimates are marked 'r'. 2002 and 2003 estimates have not been revised in this release. Some businesses have difficulty in estimating the proportion of their orders made and received electronically, and in the early years of the survey they tended to overestimate these values, leading to subsequent downward revisions. However, revisions in the 2005 and 2006 survey results of the value data estimates, are lower than those reported in the earlier years of the survey, indicating more reliable reporting of these values.

11. Sampling variability: The Inter-Departmental Business Register (IDBR) was used as the sampling frame, and approximately 8,000 UK businesses were sampled. The estimates are subject to sampling variability, as are those from all sample surveys.

The estimates of the ICT sales and purchases as a proportion of total sales and purchases were calculated using estimates from the 2005 Annual Business Inquiry.

12. Confidence Intervals: The following table contains the 95 per cent confidence intervals for the 2006 estimates of sales and purchases over the Internet and other ICTs.

Measure	Lower Limit	Upper limit	Survey estimate
Sales over the Internet, 2006	£122.4bn	£138.4bn	£130.4bn
Purchases over the Internet, 2006	£90.9bn	£114.1bn	£102.5bn
Sales over ICTs other than the Internet, 2006	£211.0bn	£237.4bn	£224.2bn
Purchases over ICTs other than the Internet, 2006	£250.4bn	£299.8bn	£275.1bn

13. Response rates: 74.9 per cent of the 2006 survey questionnaires were returned and validated. Response by employment sizeband of business is shown below.

Employment sizeband	Response rate
10 to 49	81.8%
50 to 249	71.1%
250 to 999	69.1%
1000+	72.0%

14. Editing rates: 76.8 per cent of returned questionnaires were edited during the validation process, before inclusion in the final results.

15. Imputation process: No imputations were made for contributor or item non-response as all data items on a questionnaire had to be validated prior to feeding into results. The only exceptions to this were where, under certain conditions, a missing value data item was estimated based on other contributors in the same employment sizeband and SIC. For this to take place, the business had to have returned all non-value data items and all these items had to have passed validation.

Coherence

16. The ONS conducts a quarterly survey of Internet Service Providers which is used to produce the Index of Internet Connectivity. This measures the change in the levels of all connections (business and non-business) to the Internet. The release includes the broadband and dial-up component indices. Further information is available at <http://www.statistics.gov.uk/statbase/Product.asp?vlnk=825>
1

17. The ONS also conducts an annual survey of households and individual's use of the Internet and other ICTs. Further information is available at:
<http://www.statistics.gov.uk/statbase/Product.asp?vlnk=5672>

18. All ICT, e-commerce and related reports are available here:
http://www.statistics.gov.uk/about/Methodology_by_theme/e-commerce_related_activities/default.asp

Disclosure

19. Statistical disclosure control methodology is applied to the e-commerce estimates. This ensures that information attributable to an individual is not disclosed in any publication. The National Statistics Code of Practice, and specifically the Protocol on Data Access and Confidentiality, set out principles for how we protect data from being disclosed. The Protocol includes a guarantee to survey respondents that "no statistics will be produced that are likely to identify an individual unless specifically agreed with them". For more information on ONS statistical disclosure control methodology, see

http://www.statistics.gov.uk/about/data/methodology/general_methodology/sdc.asp

20. Symbols used in the tables

'-' estimate is greater than zero but less than 0.04(9)

'r' revised estimate

'*' base is UK businesses with 10 or more employment

'f' base is UK non-financial sector businesses with 10 or more employment

'..' estimates not available

PUBLICATION POLICY

21. Details of the policy governing the release of new estimates are available from the press office.

22. **National Statistics** are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2007.

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Annex A : Employees' use of Computers and the Internet, 2004 to 2006

Table A1: Employees using computers for their work at least once a week, by size of business, 2004 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>million employees</i>						
Used computers	2004	1.6	1.5	1.4	3.1	7.6
	2005	1.7	1.6	1.5	3.4	8.2
	2006	1.8	1.7	1.5	3.5	8.5
<i>Of those:</i>						
Used computers with Internet access	2004	1.3	1.3	1.1	2.2	5.9
	2005	1.4	1.4	1.2	2.5	6.5
	2006	1.6	1.5	1.2	2.5	6.9
Used computers without Internet access	2004	0.3	0.3	0.3	0.9	1.7
	2005	0.3	0.2	0.3	0.9	1.7
	2006	0.2	0.2	0.3	0.9	1.6

Coverage: UK businesses with 10 or more employment

Annex B : Values of Sales and Purchases over ICTs, 2002
to 2006

Table B1: Sales over the Internet, by broad industrial sector and size of business, 2002 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>£bn</i>						
Manufacturing/ EGW/ Construction	2002	0.4	0.5	1.6	4.5	6.9
	2003	0.4	0.8	1.2	12.7	15.1
	2004	1.0	2.0r	7.0r	16.8r	26.9r
	2005	1.1	6.4r	10.7r	20.4r	38.5r
	2006	0.9	4.5	15.1	27.0	47.4
W'sale/Retail/ Catering/Travel	2002	0.6	1.2	2.9	4.4	9.0
	2003	1.9	2.9	6.1	7.0	17.9
	2004	3.2	4.0r	9.4r	12.2r	28.9r
	2005	5.4r	9.1r	15.9	18.6r	49.0r
	2006	7.5	11.0	18.3	23.9	60.7
Post and Telecommunications	2002	0.2	0.0	-	1.5	1.7
	2003	0.2	-	0.1	1.7	1.9
	2004	0.1	-	0.1	5.3	5.6r
	2005	-	0.3r	0.2r	4.1r	4.7
	2006	D	D	0.7	6.0	6.9
Computing, Renting, Real Estate and other Business Activities	2002	0.1	0.1	0.1	0.1	0.4
	2003	0.7	0.2	0.5	0.4	1.8
	2004	0.4	0.5	0.2	1.0r	2.0r
	2005	0.6	1.2r	0.7r	1.8r	4.3r
	2006	0.9	2.1	1.1	2.6	6.8
Other Services	2002	-	0.1	0.1	0.3	0.6
	2003	0.2	0.1	0.3	0.6	1.1
	2004	-	0.3	1.0r	1.2	2.4
	2005	0.1	0.3	1.2	3.0r	4.6
	2006	D	D	1.1	6.8	8.6
Total	2002	1.3	1.9	4.7	10.7	18.6
	2003	3.2	4.0	8.1	22.4	37.8
	2004	4.7	6.9r	17.6r	36.5r	65.8r
	2005	7.2r	17.3r	28.7r	47.8r	101.0r
	2006	9.5	18.2	36.4	66.3	130.4

Coverage: UK non-financial sector businesses with 10 or more employment

- too small to display
r – revised
D – disclosive

Note: Discrepancies may occur between totals and the sum of their independently rounded components

Table B2: Sales over the Internet, by SIC(2003) sub-section, 2002 to 2006

	2002	2003	2004	2005	2006
<i>£bn</i>					
Manufacture of Food products, Beverages and Tobacco	0.4	0.5	4.3r	8.3r	12.3
Manufacture of Textiles and Textile Products	0.1	0.1	0.3	0.4	0.4
Manufacture of Leather and Leather Products	-	-	-	-	D
Manufacture of Wood and Wood Products	-	-	0.1	0.1	D
Manufacture of Pulp, Paper, Paper Products/Printing and Publishing	0.6	0.7	1.4	2.0	4.6
Manufacture of Coke, Refined Petroleum Products, Nuclear Fuel, Chemicals and Chemical Products and Man-made Fibres ¹	0.4	3.3	5.4r	4.7r	6.7
Manufacture of Rubber and Plastic Products	0.2	0.2	0.3	0.3	0.7
Manufacture of other Non-metallic Mineral Products	-	-	0.3	0.2	0.2
Manufacture of Basic Metals and Fabricated Metal Products	0.2	0.2	1.0	0.8r	0.5
Manufacture of Machinery and Equipment not elsewhere classified	0.2	0.4	0.6	2.8r	2.5
Manufacture of Electrical and Optical Equipment	1.5	2.4	1.1	1.5r	2.1
Manufacture of Transport Equipment	2.5	5.6	8.4	10.6r	11.5
Manufacturing not elsewhere classified	0.1	-	0.4	0.6r	0.4
Electricity, Gas and Water Supply	0.7	1.5	3.1	2.7	3.9
Construction	0.1	0.2	0.2	3.4	1.5
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	6.4	11.5	20.5r	35.5r	44.7
Hotels and Restaurants	0.2	0.6	0.8	1.3r	2.2
Transport and Storage	2.4	5.8	7.6	12.1r	13.9
Telecommunications and Postal Services	1.7	1.9	5.6r	4.7	6.9
Computing, Renting, Real Estate and other Business Activities	0.4	1.8	2.0r	4.3r	6.8
Health and Social Work	-	0.1	0.1	-	0.1
Other Community, Social and Personal Service Activities	0.6	1.0	2.3	4.6	8.5
Total	18.6	37.8	65.8r	101.0r	130.4

Coverage: UK non-financial sector businesses with 10 or more employment

- too small to display

¹ - sub-sections have been combined to protect confidentiality

r – revised

D – disclosive

Note: Discrepancies may occur between totals and the sum of their independently rounded components

Table B3: Purchases over the Internet, by broad industrial sector and size of business, 2002 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>£bn</i>						
Manufacturing/ EGW/ Construction	2002	0.2	0.5	1.1	1.9	3.7
	2003	0.7	1.1	1.9	3.7	7.3
	2004	1.1	1.9	3.3r	6.0r	12.3
	2005	1.0	2.5r	4.7r	6.9r	15.1r
	2006	1.1	2.6	6.4	10.0	20.1
W'sale/Retail/ Catering/Travel/	2002	1.5	2.5	1.4	3.0	8.4
	2003	3.8	4.9	4.3	5.1	18.2
	2004	5.8	7.0	6.9	7.2	27.0r
	2005	9.0r	10.8r	12.2r	16.4r	48.5r
	2006	12.3	12.1	15.3	27.6	67.3
Post and Telecommunications	2002	0.1	-	-	0.5	0.7
	2003	0.2	0.1	0.1	0.9	1.4
	2004	0.2	0.1	0.1	1.3r	1.7
	2005	0.2	0.2	0.2	1.5r	2.1r
	2006	0.1	0.2	0.2	2.6	3.1
Computing, Renting, Real Estate and other Business Activities	2002	0.4	0.7	0.6	0.2	1.9
	2003	1.5	1.4	0.7	0.9	4.5
	2004	1.5	1.6	0.8	2.4	6.3
	2005	2.1	2.1r	1.1	3.0r	8.2r
	2006	2.2	2.2	1.5	3.3	9.3
Other Services	2002	-	0.1	0.1	0.2	0.4
	2003	0.1	0.1	0.1	0.4	0.7
	2004	0.2	0.2	0.1	0.8	1.2
	2005	0.2	0.5r	0.6	1.1r	2.5r
	2006	0.3	0.2	0.3	2.0	2.8
Total	2002	2.3	3.8	3.2	5.7	15.1
	2003	6.4	7.6	7.0	11.1	32.1
	2004	8.8	10.8	11.2r	17.6r	48.4
	2005	12.5r	16.1	18.8r	28.8r	76.3r
	2006	15.9	17.3	23.7	45.5	102.5

Coverage: UK non-financial sector businesses with 10 or more employment

- too small to display
r - revised

Note: Discrepancies may occur between totals and the sum of their independently rounded components

Table B4: Purchases over the Internet, by SIC(2003) sub-section, 2002 to 2006

	2002	2003	2004	2005	2006
<i>£bn</i>					
Manufacture of Food products, Beverages and Tobacco	0.3	0.7	1.2	1.8	3.2
Manufacture of Textiles and Textile Products	-	0.1	0.1	0.1r	0.3
Manufacture of Leather and Leather Products	-	-	-	-	-
Manufacture of Wood and Wood Products	-	-	0.1	0.1	0.1
Manufacture of Pulp, Paper, Paper Products/Printing and Publishing	0.3	0.7	1.0	1.0	1.7
Manufacture of Coke, Refined Petroleum Products and Nuclear Fuel	-	-	0.1r	0.6r	0.6
Manufacture of Chemicals and Chemical Products and Man-made Fibres	0.4	0.8	1.7r	1.8r	1.7
Manufacture of Rubber and Plastic Products	-	0.1	0.2	0.3	0.4
Manufacture of other Non-metallic Mineral Products	-	0.1	0.1	0.3	0.4
Manufacture of Basic Metals and Fabricated Metal Products	0.2	0.2	0.4	0.5	0.5
Manufacture of Machinery and Equipment not elsewhere classified	0.2	0.3	1.0	0.7r	1.1
Manufacture of Electrical and Optical Equipment	0.6	1.1	1.5	1.8	1.9
Manufacture of Transport Equipment	0.4	0.5	0.7	1.0r	1.8
Manufacturing not elsewhere classified	-	0.1	0.3	0.3	0.2
Electricity, Gas and Water Supply	0.3	1.4	2.0	2.6	3.3
Construction	0.8	1.3	1.8	2.2	2.7
Wholesale and Retail Trade; Repair of Motor Vehicles and Household Goods	7.1	15.3	22.6r	41.9r	59.4
Hotels and Restaurants	0.2	0.3	1.0	1.8r	2.4
Transport and Storage	1.2	2.6	3.4	4.7	5.5
Telecommunications and Postal Services	0.7	1.4	1.7	2.1r	3.1
Computing, Renting, Real Estate and other Business Activities	1.9	4.5	6.3	8.2r	9.3
Health and Social Work	-	0.2	0.2	0.2r	0.4
Other Community, Social and Personal Service Activities	0.4	0.6	1.0	2.3r	2.5
Total	15.1	32.1	48.4	76.3r	102.5

Coverage: UK non-financial sector businesses with 10 or more employment

- too small to display
r – revised

Note: Discrepancies may occur between totals and the sum of their independently rounded components

Table B5: Sales over ICTs other than the Internet, by size of business, 2002 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>£bn</i>						
Sales over ICTs other than the Internet	2002	8.8	30.1	42.8	78.8	160.5
	2003	14.6	33.3	59.9	82.0	189.9
	2004	14.5r	29.2r	55.7r	82.4r	181.7r
	2005	20.6r	37.7r	59.3r	86.6r	204.3r
	2006	26.0	37.9	61.9	98.3	224.2

Coverage: UK non-financial sector businesses with 10 or more employment

Table B6: Sales over ICTs other than the Internet, by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/Construction	W'sale/ Retail/Catering/ Travel	Post and Telecommunications	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>£bn</i>							
Sales over ICTs other than the Internet	2002	99.3	53.3	3.3	3.5	1.0	160.5
	2003	112.0	67.7	3.8	5.8	0.5	189.9
	2004	102.2r	63.6r	5.0r	10.0r	0.9	181.7r
	2005	110.6r	71.6r	5.2r	14.9r	2.0r	204.3r
	2006	104.3	91.1	7.3	20.5	1.0	224.2

Coverage: UK non-financial sector businesses with 10 or more employment

r – revised

Note: Discrepancies may occur between totals and the sum of their independently rounded components

Table B7: Purchases over ICTs other than the Internet, by broad industrial sector and size of business, 2005 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>£bn</i>						
Manufacturing/ EGW/ Construction	2005	2.1r	7.5r	11.7r	28.5r	49.9r
	2006	2.1	6.1	12.2	31.4	51.9
W'sale/Retail/ Catering/Travel/	2005	9.8r	21.3r	26.1r	92.5r	149.7r
	2006	13.9	27.3	34.5	111.9	187.5
Post and Telecommunications	2005	0.1	0.4r	0.2r	15.8r	16.5r
	2006	D	D	1.0	14.7	16.4
Computing, Renting, Real Estate and other Business Activities	2005	1.6r	2.2r	1.7	2.5r	8.0r
	2006	1.4	2.0	1.5	3.4	8.4
Other Services	2005	0.1r	0.4	0.5r	6.8r	7.9r
	2006	D	D	0.4	10.1	10.9
Total	2005	13.8r	31.8r	40.2r	146.1r	231.9r
	2006	17.7	36.1	49.7	171.6	275.1

Coverage: UK non-financial sector businesses with 10 or more employment

Table B8: Sales and purchases over ICTs as a proportion of total sales and purchases, 2002 to 2006

Employment size	2002	2003	2004	2005	2006
<i>Per cent</i>					
Sales over the Internet	1.1	2.2	3.7	5.4	6.5
Sales over ICTs other than the Internet	9.9	11.2	10.3	10.9	11.2
Purchases over the Internet	1.4	2.8	4.0	5.9	7.4
Purchases over ICTs other than the Internet	17.9	19.8

Coverage: UK non-financial sector businesses with 10 or more employment

r – revised
D – disclosive
.. – not available

Note: Discrepancies may occur between totals and the sum of their independently rounded components

Annex C : Use of ICTs, 2002 to 2006 (Business weighted)

Table C1: Businesses' electronic trading, by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Sold over the Internet	2002	6.4	7.7	14.4	22.3	6.9
	2003	9.1	10.6	16.0	27.4	9.6
	2004	10.7r	17.0	22.5r	31.1r	12.0
	2005	11.4r	20.8r	27.7r	37.0r	13.3r
	2006	12.0	20.9	30.7	41.8	13.9
Used secure protocols (SSL/TLS) for sales over the Internet	2006	5.7	12.8	18.0	33.6	7.2
Purchased over the Internet	2002	15.8	23.7	31.0	37.3	17.5
	2003	37.6	50.3	57.5	58.1	40.0
	2004	47.7	61.8r	65.1r	69.4r	50.3
	2005	52.3r	70.8r	76.6r	78.9r	55.8r
	2006	53.3	69.4	76.5	79.6	56.3
Sold over ICTs other than the Internet	2002	9.2	20.4	33.9	30.2	11.5
	2003	14.5	24.2	35.3	34.0	16.5
	2004	13.4r	25.0r	33.2	34.7r	15.7r
	2005	15.9r	24.2r	33.3r	36.5r	17.7r
	2006	16.0	24.9	33.0	37.0	17.9
Purchased over ICTs other than the Internet	2002	10.4	19.2	33.7	48.0	12.5
	2003	15.8	24.5	43.9	57.7	18.0
	2004	14.3	29.2r	39.7r	54.4r	17.3
	2005	15.9r	26.9	42.6	56.0r	18.5
	2006	15.2	27.0	36.7	57.6	17.7

Base: UK non-financial sector businesses with 10 or more employment

Table C2: Businesses' electronic trading, by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>							
Sold over the Internet	2002	9.6	7.4	13.4	5.6	2.5	6.9
	2003	9.3	13.2	19.8	8.0	4.0	9.6
	2004	13.9	16.6	25.5	7.8	4.4r	12.0
	2005	17.2r	16.8r	21.2r	10.0r	4.4r	13.3r
	2006	14.2	19.5	16.6	11.4	5.6	13.9
Used secure protocols (SSL/TLS) for sales over the Internet	2006	6.0	10.9	7.2	5.9	3.3	7.2
Purchased over the Internet	2002	13.9	15.3	49.2	28.8	12.4	17.5
	2003	40.3	32.5	84.8	57.9	31.2	40.0
	2004	52.2	43.6	71.3	60.7	46.8r	50.3
	2005	60.2r	49.5r	75.6r	67.9r	45.0r	55.8r
	2006	55.0	50.3	71.5	67.6	55.2	56.3
Sold over ICTs other than the Internet	2002	19.8	12.0	17.0	6.6	2.0	11.5
	2003	24.9	17.3	27.9	14.6	2.7	16.5
	2004	23.9r	15.0	24.6	16.8r	2.5	15.7r
	2005	28.5	14.9r	22.0r	19.5r	4.1r	17.7r
	2006	27.7	16.2	42.2	19.8	3.5	17.9
Purchased over ICTs other than the Internet	2002	16.4	13.7	28.0	13.3	1.2	12.5
	2003	21.6	18.4	50.7	19.5	8.0	18.0
	2004	21.3r	18.8r	27.6	19.5	4.7	17.3
	2005	22.4r	16.3r	29.7r	21.7r	12.1	18.5
	2006	19.4	17.2	41.1	21.5	10.6	17.7

Base: UK non-financial sector businesses with 10 or more employment

Table C3: Businesses with Internet access, by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Internet access	2002	75.4	93.9	98.3	99.2	78.8
	2003	83.2	96.0	98.1	99.4	85.5
	2004	82.6	96.8	99.3	99.9	85.2
	2005	86.8	97.6	99.8	99.7r	88.8
	2006	88.4	99.4	99.3	99.7	90.4
Without Internet access	2002	24.6	6.1	1.7	0.8	21.2
	2003	16.8	4.0	1.9	0.6	14.5
	2004	17.4	3.2	0.7	0.1	14.8
	2005	13.2	2.4	0.2	0.3r	11.2
	2006	11.6	0.6	0.7	0.3	9.6

Base: UK businesses with 10 or more employment

Table C4: Businesses with Internet access, by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Banking/ Financial/ Insurance Services	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>								
Internet access	2002	85.9	68.9	100.0	93.8	90.1	70.5	78.8
	2003	93.3	77.4	95.2	88.8	93.2	78.7	85.5
	2004	93.8	77.8	93.2	96.8	90.1	78.5	85.2
	2005	95.8	80.2	93.6	99.6	91.7	90.0r	88.8
	2006	94.3	84.8	100.0	99.5	95.7	87.3	90.4
Without Internet access	2002	14.1	31.1	0.0	6.2	9.9	29.5	21.2
	2003	6.7	22.6	4.8	11.2	6.8	21.3	14.5
	2004	6.2	22.2	6.8	3.2	9.9	21.5	14.8
	2005	4.2	19.8	6.4	0.4	8.3	10.0r	11.2
	2006	5.7	15.2	0.0	0.5	4.3	12.7	9.6

Base: UK businesses with 10 or more employment

Table C5: Businesses with Internet access, by primary type of connection, by size of business, 2002 to 2004

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Cable/DSL as primary connection	2002	20.4	28.2	27.2	27.0	21.7
	2003	32.4	44.6	38.7	38.4	34.4
	2004	46.1	62.8	52.3r	44.7	48.6
Other fixed broadband as primary connection	2002	2.7	14.2	36.6	52.2	5.5
	2003	4.9	13.9	34.1	48.1	7.2
	2004	7.8	15.9r	35.6r	49.0r	10.0
Satellite/wireless broadband as primary connection	2002	0.3	0.7	0.6	0.4	0.3
	2003	0.7	1.5	1.2	0.2	0.8
	2004	1.2	0.9	1.6	0.3	1.2
Narrowband as primary connection	2002	36.3	34.5	25.5	12.5	35.6
	2003	30.7	26.9	15.4	7.1	29.6
	2004	24.4	14.6	7.4r	3.8r	22.4
Do not know primary connection type	2002	15.8	16.2	8.5	7.2	15.6
	2003	14.5	9.0	8.7	5.5	13.5
	2004	3.0	2.5	2.5r	2.2	2.9

Base: UK businesses with 10 or more employment

Table C6: Businesses with Internet access by type of connection, by size of business, 2005 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
<i>Type of connection</i>						
Dial-up connection	2005	31.2	43.2r	56.4r	64.0r	33.9r
	2006	24.9	41.6	47.8	55.8	28.1
ISDN	2005	26.6r	41.2r	52.6r	62.9r	29.7r
	2006	25.7	43.5	42.6	58.4	28.9
DSL	2005	64.4r	79.9r	81.8r	86.1r	67.3r
	2006	67.5	82.0	84.9	90.8	70.2
Other fixed Internet connection	2005	8.0r	29.7r	59.8r	77.1r	13.0r
	2006	8.4	30.2	56.9	78.5	13.2
Mobile Internet connection	2005	18.2r	41.4r	59.3r	66.4r	23.0r
	2006	24.2	50.5	63.1	78.6	29.3
Broadband (DSL and/or other fixed Internet connection)	2005	67.6	87.3	95.0	98.4	71.4
	2006	70.3	89.0	96.7	98.8	73.8

Base: UK businesses with 10 or more employment

Table C7: Businesses' use of Internet, by size of business, 2004 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Banking and/or financial services*	2004	49.2	62.3	63.9r	56.2r	51.5
	2005	58.3r	75.4r	82.6r	75.0r	61.5r
	2006	65.2	84.2	88.6	82.6	68.6
Training or education†	2004	16.4	29.3	38.1r	50.4r	19.1
	2005	21.0r	32.8r	48.7r	65.0r	23.8r
	2006	23.3	36.8	47.9	66.0	26.1
Market monitoring*	2005	40.0r	54.6r	67.5r	70.7r	43.1r
	2006	37.6	52.2	62.4	76.5	40.6

* Base: UK non-financial sector businesses with 10 or more employment

† Base: UK businesses with 10 or more employment

Table C8: Businesses' use of information and communication technologies (ICTs), by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
PCs, workstations, terminals etc.	2002	87.2	97.5	99.3	99.3	89.0
	2003	90.6	98.6	99.3	99.5	92.1
	2004	90.7	99.0	99.7	99.9	92.2
	2005	92.0	98.9	100.0	99.8r	93.3
	2006	92.3	99.4	99.7	99.8	93.6
Intranet	2002	19.4	44.1	65.0	82.0	24.5
	2003	23.1	47.2	69.0	83.9	28.2
	2004	24.9	45.2r	69.0r	84.7r	29.4
	2005	24.6r	47.6r	73.8r	86.2r	29.7r
	2006	22.6	49.8	70.8	87.4	28.1
Extranet	2002	3.7	9.6	23.4	35.4	5.2
	2003	5.3	11.0	23.8	39.7	6.9
	2004	4.5	13.5	26.7	40.9r	6.6
	2005	5.5r	13.9r	30.9r	46.1r	7.7r
	2006	6.4	14.2	26.3	49.2	8.3
Wide or local area network (WAN/LAN)	2002	44.6	71.7	90.6	96.5	50.0
	2003	50.0	76.2	91.1	98.3	55.1
Wirebased local area network (LAN)	2004	50.0	78.5	90.7r	96.0	55.5
	2005	57.7r	86.2r	94.5r	98.9r	63.2r
	2006	55.5	86.8	92.0	98.5	61.2
Wireless local area network (WLAN)	2004	13.6	25.0r	40.5r	49.8r	16.2
	2005	17.0r	38.8r	51.6r	59.4r	21.4r
	2006	22.1	41.4	56.1	68.0	26.0
Send e-invoices in a digital format that allowed their automatic processing	2006	4.4	10.0	21.2	29.4	5.8
Receive e-invoices in a digital format that allowed their automatic processing	2006	8.4	12.7	17.6	33.7	9.4
Use digital signature in any message sent	2006	7.1	15.9	20.8	29.8	8.9

Base: UK businesses with 10 or more employment

Table C9: Businesses with a website, by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Website, own or third party [†]	2002	53.9	77.0	88.1	95.1	58.3
	2003	57.5	82.6	89.8	96.8	62.2
	2004	62.7	85.0r	92.4	97.8r	66.9
	2005	65.0r	86.6r	94.7r	97.7	69.2r
	2006	65.6	89.2	96.5	98.2	70.0
<i>Businesses' websites provided the following facilities:</i>						
Market their business' products*	2005	58.2r	80.9r	87.4r	91.0r	62.4r
Provide access to product catalogues and price lists*	2005	22.5r	32.7r	39.1r	45.2r	24.6r
Provide after-sales support*	2005	14.9r	23.6r	33.2r	39.4r	16.8r
<i>Businesses used their website to:</i>						
Market their business' products*	2006	56.8	81.0	88.1	92.3	61.3
Provide access to product/services catalogues and price lists*	2006	35.0	51.5	49.3	58.8	37.8
Provide after-sales support*	2006	14.0	23.5	28.3	43.7	15.9

[†] Base: UK businesses with 10 or more employment

* Base: UK non-financial sector businesses with 10 or more employment

Table C10: Businesses' use of information and communication technologies (ICTs), by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Banking/ Financial/ Insurance Services	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>								
PCs, workstations, terminals etc.	2002	95.3	81.7	100.0	97.0	92.4	88.3	89.0
	2003	97.1	87.5	95.2	92.6	95.1	89.2	92.1
	2004	97.3	89.2	94.9	96.8	92.5	89.1	92.2
	2005	97.4r	88.2r	95.5	99.6	93.8r	96.0	93.3
	2006	96.7	89.0	100.0	99.5	96.7	93.0	93.6
Website, own or third party	2002	71.1	49.5	87.0	73.6	69.8	37.3	58.3
	2003	69.7	57.0	90.3	73.7	74.2	42.9	62.2
	2004	74.3	62.6	80.6	88.6	76.9	48.4	66.9
	2005	75.3	62.0r	85.8	86.2r	80.1r	57.3r	69.2r
	2006	71.8	64.0	93.6	83.1	83.7	59.4	70.0

Base: UK businesses with 10 or more employment

Table C11: Businesses' use of software, by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Enterprise Resource Planning Software (ERP)	3.8	17.0	27.4	37.2	6.5
Free or open source operating systems	4.6	12.6	19.3	29.4	6.3
<i>Customer Relationship Management (CRM)</i>					
<i>Software to:</i>					
Capture and share information about customers with other internal business functions	8.8	20.4	28.0	42.4	11.1
Analyse information about customers for marketing purposes	8.4	21.0	26.7	41.9	10.9

Base: UK businesses with 10 or more employment

Table C12: Businesses with automatic electronic links between business systems, by size of business, 2002 to 2004¹

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Businesses with integrated electronic processes	2002	7.5	18.7	38.5	50.0	10.2
Businesses with electronic systems for placing or receiving orders that automatically linked to other internal electronic systems	2003	7.2	17.2	37.5	55.5	9.7
	2004	5.0	16.6	37.4r	59.0r	7.8
Businesses with electronic systems for placing or receiving orders that automatically linked to other businesses' electronic systems	2003	5.7	12.1	24.7	37.8	7.3
	2004	5.4	13.0	22.0r	38.1r	7.1
<i>Type of automatically linked electronic business system</i>						
Production or service operating systems	2002	2.4	10.5	24.1	31.3	4.2
	2003	3.3	11.0	25.4	38.1	5.2
	2004	2.7	10.3	24.9r	41.2r	4.6
Logistics or delivery systems	2002	1.3	8.0	24.3	33.7	3.0
	2003	2.9	9.6	25.9	39.2	4.7
	2004	1.9	9.4r	25.0	41.7r	3.9
Invoicing or payment systems	2002	4.5	12.7	30.2	42.7	6.6
	2003	4.2	14.2	32.0	49.2	6.7
	2004	2.7	12.4	28.3r	49.9r	5.0
Suppliers' ordering or business systems	2002	3.2	4.5	14.6	22.6	3.8
	2003	4.5	7.1	16.6	29.8	5.3
	2004	3.8	9.0	14.3	31.2r	5.0
Customers' ordering or business systems	2002	1.0	5.2	16.0	18.1	2.0
	2003	1.5	6.4	16.5	20.5	2.7
	2004	1.7	6.8r	14.2r	20.4	2.9

Base: UK non-financial sector businesses with 10 or more employment

¹ – Related definitions changed in 2005 and again in 2006. See tables C13 and C14 for indicative comparisons.
r - revised

Table C13: Businesses with electronic systems for placing or receiving orders, by size of business, 2005¹

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Businesses with electronic systems for placing or receiving orders	19.8r	36.8r	54.0r	70.2r	23.5r
<i>Type of automatically linked electronic business system</i>					
Production, service operations logistics or delivery systems	4.6r	14.8r	31.2r	43.7r	7.0r
Invoicing or payment systems	5.6r	17.0r	35.9r	55.3r	8.4r
Suppliers' ordering or business systems	5.4r	10.7r	20.3r	39.0r	6.8r
Customers' ordering or business systems	3.8r	10.0r	22.3r	29.7r	5.3r
Internal system for re-ordering replacement supplies	4.7r	9.7r	23.4r	33.5r	6.1r

Base: UK non-financial sector businesses with 10 or more employment

¹ – Related definitions changed in 2005 and again in 2006. See tables C12 and C14 for indicative comparisons.
r – revised

Table C14: Businesses with software applications for placing/receiving orders, by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Businesses with software applications to manage placing/receiving orders	34.4	58.7	70.7	81.5	39.1
<i>Type of automatically linked software application</i>					
Production, service operations logistics or delivery systems	15.1	34.1	43.7	59.1	18.8
Invoicing or payment systems	20.2	39.7	50.7	67.0	24.0
Suppliers' ordering or business systems	10.3	16.8	26.0	44.3	11.8
Customers' ordering or business systems	9.8	17.9	26.4	36.9	11.5
Internal system for re-ordering replacement supplies	11.3	23.3	34.1	47.3	13.8

Base: UK non-financial sector businesses with 10 or more employment

Table C15: Businesses' Internet interaction with public authorities i.e. central government, local and regional authorities, by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Used Internet to interact with public authorities	2002	28.3	39.6	52.4	53.6	30.7
	2003	31.8	46.4	55.7	61.8	34.7
	2004	38.8	49.3r	60.3r	66.4	41.1r
	2005	46.9r	63.6r	70.1r	75.2r	50.2r
	2006	48.5	68.9	69.5	78.4	52.1
<i>Purpose of Internet interaction with public authorities</i>						
to obtain information	2002	26.1	37.7	50.4	50.2	28.5
	2003	30.3	45.4	54.6	60.5	33.3
	2004	37.9	47.8r	59.5r	65.3r	40.1r
	2005	45.7r	62.4r	68.7r	74.1r	49.0r
	2006	46.3	68.3	67.1	77.1	50.2
to obtain forms	2002	19.5	31.0	38.1	37.1	21.7
	2003	25.3	40.7	46.9	50.7	28.2
	2004	32.2	44.6	55.2r	58.9	34.8
	2005	42.3r	60.5r	65.7r	70.8r	45.8r
	2006	43.6	66.7	66.1	75.0	47.7
to return completed forms	2002	8.4	14.8	19.5	22.0	9.6
	2003	11.7	21.6	28.7	30.4	13.7
	2004	18.1	29.5	39.6r	40.5r	20.4
	2005	31.9r	47.4r	56.5r	60.6r	35.0r
	2006	34.5	58.8	58.1	66.6	38.8
to submit a proposal in an electronic tender system	2005	7.4r	16.4r	17.3r	22.0r	9.1r
	2006	7.3	16.5	19.6	28.8	9.1

Base: UK businesses with 10 or more employment

Table C16: Businesses' Internet interaction with public authorities i.e. central government, local and regional authorities, by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Banking/ Financial/ Insurance Services	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>								
Used Internet to interact with public authorities	2002	29.4	18.7	48.3	39.9	43.8	40.1	30.7
	2003	33.7	22.0	61.6	48.9	47.3	44.4	34.7
	2004	37.3r	27.9	48.4	56.0	51.5	58.7	41.1r
	2005	50.4r	41.9r	56.8	65.8r	58.0	54.2	50.2r
	2006	51.2	43.9	79.1	72.0	61.0	55.4	52.1

Base: UK businesses with 10 or more employment

Table C17: Businesses' recruitment of ICT users, by size of business, 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Recruited or tried to recruit people with ICT user skills		24.6	43.2	58.2	80.7	28.5
Had difficulty filling vacancies due to applicants' lack of ICT user skills		3.5	4.9	7.0	17.4	3.9
Provided training to develop or upgrade employees' ICT user skills		29.9	52.2	65.4	82.8	34.3

Base: UK businesses with 10 or more employment

Table C18: Businesses with ICT specialists, by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Employ ICT specialists	14.7	37.5	52.7	77.7	19.3
Try to recruit people for jobs requiring ICT specialist skills	7.2	18.1	33.6	66.7	9.9
Had difficulty filling vacancies for jobs requiring ICT specialist skills	2.3	5.0	9.7	26.1	3.0
<i>Reasons for having difficulties filling vacancies for jobs requiring ICT specialist skills:</i>					
Insufficient applicants with ICT specialist skills	1.7	3.4	8.2	19.6	2.3
Applicants without relevant qualifications	1.5	3.4	5.7	15.0	2.0
Applicants without experience	1.9	4.2	8.0	20.3	2.5
Salary requests too high	1.2	3.6	6.2	18.0	1.8
Provided training to develop or upgrade employees' ICT specialist skills	16.8	34.6	50.1	76.4	20.6

Base: UK businesses with 10 or more employment

Table C19: Businesses use of ICT specialists, by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
ICT functions performed by ICT specialists from outside the business	33.9	59.7	62.4	81.1	38.7
ICT functions performed by ICT specialists in a foreign country	3.2	11.5	18.7	34.9	5.0
<i>ICT functions performed by ICT specialists in a foreign country by:</i>					
Foreign affiliates of the business	2.0	8.2	13.5	22.0	3.3
Other businesses	1.6	5.7	11.7	27.3	2.6
<i>ICT functions performed by ICT specialists in a foreign country in:</i>					
EU countries other than UK	1.8	8.1	12.4	23.5	3.2
Non-EU countries	2.1	6.3	12.0	27.5	3.1

Base: UK businesses with 10 or more employment

Annex D : Use of ICTs, 2002 to 2006 (Employment weighted)

Table D1: Businesses' electronic trading (employment weighted), by size of business, 2002 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>Per cent</i>						
Sold over the Internet	2002	7.4	8.2	14.9	36.7	20.3
	2003	9.7	11.2	16.9	40.7	23.4
	2004	10.7	17.9r	23.8r	41.3r	26.6r
	2005	12.1r	21.8r	28.3r	49.0r	31.6r
	2006	12.2	21.1	31.6	53.6	34.0
Used secure protocols (SSL/TLS) for sales over the Internet	2006	6.1	12.3	19.2	48.3	26.6
Purchased over the Internet	2002	16.7	23.9	30.4	48.3	32.8
	2003	39.2	50.4	58.2	60.4	53.0
	2004	50.1	62.5r	64.9r	72.8r	64.2r
	2005	54.9r	72.0r	76.9r	82.9r	73.3r
	2006	54.0	71.0	76.0	85.9	73.9
Sold over ICTs other than the Internet	2002	9.6	22.6	34.5	29.3	24.1
	2003	14.9	25.8	36.0	26.5	25.2
	2004	14.2r	26.1r	34.7	28.8r	25.9
	2005	17.0r	25.9r	34.1r	30.8r	27.2r
	2006	17.1	25.5	33.9	38.4	30.1
Purchased over ICTs other than the Internet	2002	12.3	19.8	35.7	63.3	37.7
	2003	17.4	27.2	46.4	67.4	44.0
	2004	15.0	31.8	41.1	65.0r	42.8
	2005	16.2r	28.8r	44.1r	67.4r	44.0r
	2006	15.4	30.0	37.7	68.9	43.7

Base: UK non-financial sector businesses with 10 or more employment

Table D2: Businesses' electronic trading (employment weighted), by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>							
Sold over the Internet	2002	14.5	33.7	62.8	5.9	6.7	20.3
	2003	16.2	37.2	61.5	10.8	9.6	23.4
	2004	23.5	37.7	77.8	13.6	13.2	26.6
	2005	28.8	45.4	77.9	16.1	15.6	31.6
	2006	29.6	48.6	81.9	19.8	15.6	34.0
Used secure protocols (SSL/TLS) for sales over the Internet	2006	19.2	42.2	73.2	11.7	12.9	26.6
Purchased over the Internet	2002	28.0	39.1	68.6	30.8	20.4	32.8
	2003	53.1	53.5	75.9	57.0	39.8	53.0
	2004	64.1	63.7	79.9	66.8	58.8	64.2
	2005	73.1	72.9	81.8	78.3	64.7	73.3
	2006	70.6	75.9	94.2	78.3	63.7	73.9
Sold over ICTs other than the Internet	2002	41.1	22.2	55.9	9.5	6.4	24.1
	2003	45.4	19.5	54.5	16.3	4.8	25.2
	2004	43.1	21.5	57.2	19.7	8.1	25.9
	2005	43.5	21.4	59.1	25.0	11.0	27.2
	2006	41.9	29.3	68.1	28.3	7.3	30.1
Purchased over ICTs other than the Internet	2002	35.8	52.4	61.6	21.7	15.2	37.7
	2003	43.4	54.6	71.8	32.5	24.0	44.0
	2004	43.4	53.8	76.6	30.6	22.6	42.8
	2005	40.9	54.3	66.0	37.1	27.2	44.0
	2006	36.8	55.9	68.9	37.0	27.6	43.7

Base: UK non-financial sector businesses with 10 or more employment

Table D3: Businesses with Internet access (employment weighted), by size of business, 2002 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>Per cent</i>						
Internet access	2002	78.1	94.0	98.7	99.7	93.5
	2003	85.7	97.1	98.5	99.6	95.8
	2004	85.7	97.3	99.3	100.0r	96.2
	2005	90.5r	98.2	99.6	99.9r	97.5r
	2006	90.1	99.4	99.2	99.9	97.5
Without Internet access	2002	21.9	6.0	1.3	0.3	6.5
	2003	14.3	2.9	1.5	0.4	4.2
	2004	14.3	2.7	0.7	0.0r	3.8
	2005	9.5r	1.8	0.4	0.1r	2.5r
	2006	9.9	0.6	0.8	0.1	2.5

Base: UK businesses with 10 or more employment

Table D4: Businesses with Internet access (employment weighted), by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Banking/ Financial/ Insurance Services	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>								
Internet access	2002	95.4	91.4	100.0	99.0	96.5	85.9	93.5
	2003	98.1	94.7	99.1	99.1	97.9	87.7	95.8
	2004	98.5	95.4	99.5	99.5	97.0	90.0	96.2
	2005	99.1	96.1	99.4	100.0	98.1	95.6	97.5
	2006	98.5	96.4	100.0	100.0	98.7	95.3	97.5
Without Internet access	2002	4.6	8.6	0.0	1.0	3.5	14.1	6.5
	2003	1.9	5.3	0.9	0.9	2.1	12.3	4.2
	2004	1.5	4.6	0.5	0.5	3.0	10.0	3.8
	2005	0.9	3.9	0.6	0.0	1.9	4.4	2.5
	2006	1.5	3.6	0.0	0.0	1.3	4.7	2.5

Base: UK businesses with 10 or more employment

Table D5: Businesses with Internet access, by primary type of connection (employment weighted), by size of business, 2002 to 2004

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Cable/DSL as primary connection	2002	24.0	27.8	25.3	21.2	23.8
	2003	35.4	46.6	39.9	33.4	37.5
	2004	48.3r	62.6	52.0r	37.9r	47.3
Other fixed broadband as primary connection	2002	3.0	15.6	39.3	64.9	37.0
	2003	4.9	15.8	35.6	55.7	33.2
	2004	8.2	17.8r	37.0r	57.2r	35.4
Satellite/wireless broadband as primary connection	2002	0.2	0.6	0.7	0.1	0.3
	2003	0.7	1.3	1.0	0.1	0.6
	2004	1.3	0.8	1.3	0.1	0.7
Narrowband as primary connection	2002	35.6	34.4	24.5	8.9	22.5
	2003	30.3	25.2	14.0	5.7	16.4
	2004	24.8	13.7	6.8r	3.5	10.7
Do not know primary connection type	2002	15.3	15.6	8.7	4.6	9.9
	2003	14.5	8.3	8.0	4.7	8.2
	2004	3.1	2.3r	2.3r	1.3	2.0

Base: UK businesses with 10 or more employment

Table D6: Businesses with Internet access by type of connection, by size of business (employment weighted), 2005 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
<i>Type of connection</i>						
Dial-up connection	2005	33.6	44.6r	56.2r	69.0r	54.4r
	2006	26.5	43.6	49.5	57.8	46.9
ISDN	2005	29.0r	43.2r	53.8r	68.9r	52.8r
	2006	27.7	44.7	44.0	62.3	48.4
DSL	2005	69.1r	79.8r	80.8r	86.3r	80.4r
	2006	69.4	82.5	84.9	94.1	85.0
Other fixed Internet connection	2005	9.6r	34.4r	62.6r	84.8r	55.0r
	2006	10.0	33.9	58.7	86.8	55.1
Mobile Internet connection	2005	20.1r	45.2r	59.5r	70.3r	52.7r
	2006	26.5	53.8	64.4	86.2	63.3
Broadband (DSL and/or other fixed Internet connection)	2005	72.5	88.2	95.0	99.2	90.6
	2006	72.6	90.1	96.9	99.6	91.4

Base: UK businesses with 10 or more employment

Table D7: Businesses' use of Internet (employment weighted), by size of business, 2004 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Banking and/or financial services*	2004	52.2r	63.4r	62.0r	47.0r	54.0r
	2005	62.4r	76.2r	82.3r	69.5r	71.4r
	2006	67.7	84.5	88.2	79.5	79.2
Training or education†	2004	17.4r	31.1r	37.9r	54.4r	39.0r
	2005	23.5r	35.6r	50.4r	69.8r	49.9r
	2006	25.5	40.4	47.4	75.9	53.4
Market monitoring*	2005	42.3r	55.9	68.8r	80.0r	64.7r
	2006	38.6	54.4	62.1	85.0	64.4

* Base: UK non-financial sector businesses with 10 or more employment

† Base: UK businesses with 10 or more employment

Table D8: Businesses' use of information and communication technologies (ICTs) (employment weighted), by size of business, 2002 to 2006

Employment size		10-49	50-249	250-999	1000+	All sizebands
<i>Per cent</i>						
PCs, workstations, terminals etc.	2002	90.5	96.5	99.4	99.7	97.0
	2003	92.6	98.8	99.4	99.7	97.9
	2004	92.5	99.1	99.7	100.0r	98.1
	2005	94.3r	99.2	100.0	99.9r	98.5
	2006	93.5	99.4	99.8	99.9	98.4
Intranet	2002	22.8	47.1	66.2	89.6	62.3
	2003	25.7	50.0	70.6	90.4	64.8
	2004	26.1r	48.5r	69.7r	91.5	65.2
	2005	27.6r	52.8r	75.3r	92.9	68.0r
	2006	24.6	54.1	70.3	94.4	67.4
Extranet	2002	3.9	10.3	24.3	50.0	27.6
	2003	6.1	11.9	24.9	55.3	30.8
	2004	4.4	15.4r	28.0r	55.1r	31.8r
	2005	6.5r	16.0r	31.5r	59.4r	34.9r
	2006	7.0	15.9	27.0	62.8	35.7
Wide or local area network (WAN/LAN)	2002	50.4	73.7	91.5	98.2	81.5
	2003	55.1	77.6	92.7	99.2	84.1
Wirebased local area network (LAN)	2004	53.1	81.2	91.5r	97.6r	83.6
	2005	60.9r	88.9r	94.8	99.5r	88.3
	2006	58.7	88.5	93.1	99.5	87.4
Wireless local area network (WLAN)	2004	14.1	26.5	41.3r	59.6	40.1r
	2005	18.2r	42.2r	52.4r	69.9r	50.4r
	2006	23.2	44.0	56.2	77.7	55.8
Send e-invoices in a digital format that allowed their automatic processing	2006	4.7	11.3	22.1	41.5	24.5
Receive e-invoices in a digital format that allowed their automatic processing	2006	8.7	14.1	17.8	51.0	29.2
Use digital signature in any message sent	2006	7.8	18.4	21.2	39.5	25.5

Base: UK businesses with 10 or more employment

Table D9: Businesses with a website (employment weighted), by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Website, own or third party [†]	2002	58.1	77.9	88.6	97.5	83.3
	2003	61.2	84.0	90.9	98.2	86.0
	2004	65.9	86.9	93.0	98.5r	88.2
	2005	69.1r	88.7	95.2r	98.8r	89.8r
	2006	68.4	91.1	96.9	99.0	90.4
<i>Businesses' websites provided the following facilities:</i>						
Market their business' products*	2005	60.9r	83.2r	87.7r	94.4	83.4r
Provide access to product catalogues and price lists*	2005	23.4r	33.3r	40.2r	54.1r	40.6r
Provide after-sales support*	2005	16.0r	25.8r	33.6r	49.0r	34.2r
<i>Businesses used their website to:</i>						
Market their business' products*	2006	59.2	81.6	88.3	95.4	83.1
Provide access to product/services catalogues and price lists*	2006	36.6	52.9	50.2	64.8	53.5
Provide after-sales support*	2006	14.4	24.0	28.8	55.0	35.1

[†] Base: UK businesses with 10 or more employment

* Base: UK non-financial sector businesses with 10 or more employment

Table D10: Businesses' use of information and communication technologies (ICTs) (employment weighted), by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Banking/ Financial/ Insurance Services	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>								
PCs, workstations, terminals etc.	2002	98.3	95.5	100.0	99.2	97.1	96.4	97.0
	2003	99.0	97.2	99.1	99.4	98.6	95.4	97.9
	2004	99.3	98.0	99.6	99.5	97.5	95.9	98.1
	2005	99.5	97.7	99.5	100.0	98.7	98.1	98.5
	2006	99.1	97.6	100.0	100.0	98.9	97.3	98.4
Website, own or third party	2002	86.3	83.4	98.2	96.7	84.4	61.7	83.3
	2003	87.5	86.6	98.6	97.3	87.1	68.3	86.0
	2004	89.2	89.0	98.0	98.4	89.9	73.4	88.2
	2005	90.3	89.9	98.4	98.2	92.5	78.0	89.8
	2006	88.7	90.0	99.3	98.7	94.5	82.1	90.4

Base: UK businesses with 10 or more employment

Table D11: Businesses' use of software (employment weighted), by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Enterprise Resource Planning Software (ERP)	4.4	20.4	27.4	49.1	30.2
Free or open source operating systems	5.6	14.0	20.3	36.1	22.6
<i>Customer Relationship Management (CRM) Software to:</i>					
Capture and share information about customers with other internal business functions	9.5	23.1	28.6	57.6	35.7
Analyse information about customers for marketing purposes	8.9	22.9	27.2	58.1	35.5

Base: UK businesses with 10 or more employment

Table D12: Businesses with automatic electronic links between business systems (employment weighted), by size of business, 2002 to 2004¹

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Businesses with integrated electronic processes	2002	7.1	20.0	39.0	65.9	38.0
Businesses with electronic systems for placing or receiving orders that automatically linked to other internal electronic systems	2003	7.8	19.9	39.8	66.6	38.8
	2004	5.9	19.2	39.0r	70.2r	39.9
Businesses with electronic systems for placing or receiving orders that automatically linked to other businesses' electronic systems	2003	5.7	13.9	26.4	53.6	29.7
	2004	5.6	14.5	23.2r	54.0r	29.8r
<i>Type of automatically linked electronic business system</i>						
Production or service operating systems	2002	2.4	11.5	24.9	45.8	25.0
	2003	3.7	12.7	27.5	49.1	27.4
	2004	3.6	12.4	26.6r	48.2	27.1r
Logistics or delivery systems	2002	1.5	9.2	25.9	49.4	25.9
	2003	3.2	11.4	27.7	52.3	28.3
	2004	2.2	10.9r	27.0r	55.1r	29.4r
Invoicing or payment systems	2002	4.6	13.8	31.7	60.4	32.8
	2003	4.7	16.2	34.4	62.2	34.7
	2004	3.0	14.4	30.0r	62.8r	33.9r
Suppliers' ordering or business systems	2002	2.7	4.9	15.4	44.3	21.5
	2003	4.4	8.4	17.7	48.0	24.6
	2004	3.9	9.9	15.4r	48.7r	25.0r
Customers' ordering or business systems	2002	1.0	5.9	17.2	21.5	12.7
	2003	1.7	7.4	17.9	20.6	13.0
	2004	1.8	8.2r	15.2r	19.0r	12.2

Base: UK non-financial sector businesses with 10 or more employment

¹ – Related definitions changed in 2005 and again in 2006. See tables D13 and D14 for indicative comparisons.
r - revised

Table D13: Businesses with electronic systems for placing or receiving orders (employment weighted), by size of business, 2005¹

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Businesses with electronic systems for placing or receiving orders	20.8r	40.6r	55.5r	81.4r	55.1r
<i>Type of automatically linked electronic business system</i>					
Production, service operations logistics or delivery systems	5.2r	17.6r	32.9r	58.8r	34.0r
Invoicing or payment systems	6.3r	20.4r	37.9r	69.5r	39.9r
Suppliers' ordering or business systems	5.5r	12.4r	21.9r	57.5r	30.6r
Customers' ordering or business systems	4.3r	11.8r	23.1r	34.2r	21.0r
Internal system for re-ordering replacement supplies	4.8r	11.4r	24.1r	49.1r	27.2r

Base: UK non-financial sector businesses with 10 or more employment

Table D14: Businesses with software applications for placing/receiving orders (employment weighted), by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Businesses with software applications to manage placing/receiving orders	35.9	62.2	71.2	89.4	68.6
<i>Type of automatically linked software application</i>					
Production, service operations logistics or delivery systems	16.2	36.1	45.1	69.3	46.4
Invoicing or payment systems	22.1	43.0	50.7	77.4	53.4
Suppliers' ordering or business systems	10.4	19.5	26.3	63.0	36.1
Customers' ordering or business systems	10.5	19.4	26.7	46.2	29.4
Internal system for re-ordering replacement supplies	12.1	25.5	35.0	59.3	37.7

Base: UK non-financial sector businesses with 10 or more employment

¹ – Related definitions changed in 2005 and again in 2006. See tables D12 and D14 for indicative comparisons.
r - revised

Table D15: Businesses' Internet interaction with public authorities i.e. central government, local and regional authorities (employment weighted), by size of business, 2002 to 2006

Employment size		10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>						
Used Internet to interact with public authorities	2002	30.6	40.4	52.8	52.9	45.4
	2003	33.6	47.8	56.4	60.4	51.3
	2004	40.6	50.4r	60.3r	67.3r	57.0
	2005	50.4r	67.4r	70.3r	71.5r	65.9r
	2006	50.8	70.3	69.2	78.9	69.5
<i>Purpose of Internet interaction with public authorities</i>						
to obtain information	2002	28.4	37.9	50.6	48.1	42.1
	2003	32.1	46.5	54.9	58.0	49.4
	2004	39.7	49.0r	59.4r	65.0r	55.4
	2005	49.2r	66.3r	68.8r	70.3r	64.7r
	2006	48.5	69.9	66.5	78.0	68.1
to obtain forms	2002	20.5	30.9	36.7	33.5	30.6
	2003	26.6	41.9	47.0	45.6	40.9
	2004	32.4r	45.9r	54.9r	57.9	49.4
	2005	45.3r	64.1r	65.7r	68.6r	62.2r
	2006	46.1	68.2	65.6	75.9	66.2
to return completed forms	2002	9.2	15.1	19.9	21.9	17.4
	2003	12.3	24.0	30.1	27.9	24.0
	2004	17.4	31.4	39.5r	42.3r	34.2r
	2005	33.7r	50.9r	57.0r	59.3r	51.7r
	2006	36.6	59.7	57.2	68.9	58.2
to submit a proposal in an electronic tender system	2005	8.8r	18.9r	17.6r	21.9r	17.7r
	2006	7.9	16.2	19.1	27.7	19.7

Base: UK businesses with 10 or more employment

Table D16: Businesses' Internet interaction with public authorities i.e. central government, local and regional authorities (employment weighted), by broad industrial sector, 2002 to 2006

Broad Industrial Sector		Manufacturing/ EGW/ Construction	W'sale/ Retail/ Catering/ Travel	Post and Telecommunications	Banking/ Financial/ Insurance Services	Computing, Renting, Real Estate and other Business Activities	Other Services	Total
<i>Per cent</i>								
Used Internet to interact with public authorities	2002	45.2	40.1	74.8	45.5	52.2	47.0	45.4
	2003	52.1	40.9	79.3	76.0	60.4	47.9	51.3
	2004	55.9	51.7	81.9	66.2	60.7	61.7	57.0
	2005	67.6	58.2	85.0	79.8	69.4	70.4	65.9
	2006	68.5	66.0	96.0	78.6	70.4	72.1	69.5

Base: UK businesses with 10 or more employment

Table D17: Businesses recruitment of ICT users (employment weighted), by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Recruited or tried to recruit people with ICT user skills	27.1	47.2	59.9	88.9	62.6
Had difficulty filling vacancies due to applicants' lack of ICT user skills	4.0	5.6	7.5	21.6	12.4
Provided training to develop or upgrade employees' ICT user skills	32.3	54.9	66.1	88.8	66.2

Base: UK businesses with 10 or more employment

Table D18: Businesses with ICT specialists (employment weighted), by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
Employ ICT specialists	16.7	42.6	54.2	86.4	57.4
Try to recruit people for jobs requiring ICT specialist skills	7.9	21.4	35.4	79.4	45.4
Had difficulty filling vacancies for jobs requiring ICT specialist skills	2.6	5.7	10.4	32.1	17.0
<i>Reasons for having difficulties filling vacancies for jobs requiring ICT specialist skills:</i>					
Insufficient applicants with ICT specialist skills	2.0	3.9	8.9	25.8	13.6
Applicants without relevant qualifications	1.8	3.9	5.9	18.7	10.1
Applicants without experience	2.2	5.0	8.6	23.6	12.9
Salary requests too high	1.3	4.1	6.6	21.9	11.5
Provided training to develop or upgrade employees' ICT specialist skills	18.6	39.6	51.5	85.1	56.3

Base: UK businesses with 10 or more employment

Table D19: Businesses use of ICT specialists (employment weighted), by size of business, 2006

Employment size	10 - 49	50 - 249	250 - 999	1000+	All sizebands
<i>Per cent</i>					
ICT functions performed by ICT specialists from outside the business	36.9	61.4	62.4	87.3	67.2
ICT functions performed by ICT specialists in a foreign country	4.0	11.8	19.9	50.7	28.0
<i>ICT functions performed by ICT specialists in a foreign country by:</i>					
Foreign affiliates of the business	2.7	8.4	14.0	31.1	17.7
Other businesses	1.9	6.1	13.0	42.7	21.9
<i>ICT functions performed by ICT specialists in a foreign country in:</i>					
EU countries other than UK	2.4	8.3	13.1	32.1	17.9
Non-EU countries	2.7	6.7	13.2	42.6	22.2

Base: UK businesses with 10 or more employment