



Connecting the Dots in Michigan



***Information
Technology
in Michigan:
Home and Business Use
November 2002***



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Introduction and Methodology

Cyber-state.org (www.cyber-state.org) is a nonprofit group established in 1998 by Michigan's business, education, health care, government, and philanthropic communities, including the W. K. Kellogg Foundation, the Council of Michigan Foundations, and the Herbert H. and Grace A. Dow Foundation. Since 1998, cyber-state.org has been working in partnership with Altarum, an Ann Arbor-based technology innovation institute. Cyber-state.org's vision is to help Michigan become a world leader in developing and using information technology in ways that better the life of every citizen.

Cyber-state.org commissioned a survey of Michigan residents and businesses to explore the role that information technology plays in their lives. The 2002 survey is the fourth in the cyber-state.org series; previous surveys were conducted in 2001, 2000, and 1998. The survey series was developed and conducted by Public Sector Consultants Inc. (www.pscinc.com) and has four components:

- A random telephone survey of 800 Michigan residents aged 18 and older from across the state, having an overall margin of error of ± 3.5 percent with 95 percent confidence.
- A telephone survey of 300 additional respondents across seven of the eight Michigan regions, conducted to ensure that whenever regional variations are discussed, the margin of error for the results in the different regions is not greater than ± 10 percent with 95 percent confidence.
- An Internet survey of online Michigan residents to gather more detailed information about how they use the Internet. E-mailed invitations were sent to 40,000 people who expressed an interest in receiving Internet surveys, and 1,888 people responded. As explained in that section, these responses are not necessarily representative of the universe of online Michigan residents.
- An Internet survey of Michigan business leaders to gather more detailed information on how businesses and business leaders use the Internet. If members of the public indicated that their job title included an executive role, the respondent was directed to the business rather than the personal Internet survey. A total of 469 business leaders responded. As explained in that section, these responses are not necessarily representative of the universe of online Michigan residents.

The surveys were conducted between September 9 and October 6, 2002. Where appropriate, the survey results were weighted using information from the 2000 United States Census to reflect the Michigan population as accurately as possible.

For comparison purposes, the previous survey—conducted in 2001—is referenced in this document. When originally analyzed, the most current census data were from the 1990 Census. To ensure fair comparisons with the most recent survey, PSC re-weighted the 2001 survey results using the 2000 U.S. Census. Therefore, readers will note that the responses cited for the 2001 survey in this report may not match the results cited in the 2001 final report. See Appendix A for copies of the survey instruments and complete data.

Major Findings

- The majority of Michigan residents—66 percent—have a computer at home, up 11 percent from the 2001 survey. However, computer ownership remains heavily influenced by age, income, and educational attainment.
- Two-thirds of Michigan residents have accessed the Internet at least once (67 percent), an increase of 9 percent from 2001.
- When asked why they have *not* accessed the Internet, respondents gave answers that are almost identical to their responses 18 months ago: Statistically equal percentages report not having access to the Internet (30 percent) as report that accessing the Internet is not worth the time, hassle, or expense (31 percent).
- For the first time in four surveys, a majority of respondents (52 percent) are *very* concerned that personal information given to a computer-based service will not be kept confidential. In 2001, only 45 percent believed this. This growing concern is likely a primary reason why more than three-quarters (76 percent) of respondents do *not* want public records such as marriage records, real estate purchases, and court cases available via the Internet. Looking only at Internet users, 42 percent are *very* concerned about the privacy of their information, and a majority (61 percent) also believe that public records should not be available online.
- A majority of respondents believe that local governments should assign moderate to low priority to increasing the amount of information and services available over the Internet (55 percent). Only 38 percent believe it should be a moderate to high priority. Looking only at Internet users, however, the majority (82 percent) believes governments should make Internet information a moderate to high priority.
- Respondents believe the greatest benefits of citizen access to government via the Internet are twofold: The public will have (1) greater access to information (27 percent) and (2) more convenient access to government services (26 percent). Conversely, the plurality of respondents believes the greatest drawback is that it will become even harder to find a “real person” who can answer a question (31 percent). Looking only at Internet users, while the percentages differed, the relative position of the perceived benefits and drawbacks did not change.
- By a very thin margin, a majority of respondents would have preferred to vote somewhere *other than* a voting booth on Election Day this November. While 43 percent expressed a preference for voting booths, 51 percent would have preferred to vote either on the Internet (26 percent) or by mail in the previous weeks (25 percent). Internet respondents, in contrast, vastly preferred voting via the Internet (64 percent), but also preferred voting in a booth (26 percent) to voting by mail (8 percent).
- The majority of business respondents both have computers on site (94 percent) and have access to the Internet on site (91 percent). For most businesses, Internet access is delivered via a high-speed connection (50 percent), as opposed to a modem (30 percent).
- For business leaders, the three most favored online activities were accessing property tax and assessments, applying for permits and licenses, and filing complaints (at least 65 percent each).

Trend Data:

Michigan Households and the Internet

The analysis in this section is based on the telephone survey of all Michigan residents. Results from this year's survey are compared to adjusted results from the 2001 cyber-state.org survey.

COMPUTERS IN THE HOME

Approximately 10 percent more Michigan households have computers in 2002 than just 18 months ago. But while overall computer ownership has increased over this period, the variance within demographic categories continues to be stark.

- Computer ownership is positively related to the respondent's age. More than three-quarters (79 percent) of respondents aged 25 and younger own computers, compared to one-quarter (25 percent) of respondents aged 75 and older. Overall, a majority of respondents aged 64 and younger have at least one computer at home; a majority of respondents aged 65 and older do not.
- As incomes rise, the rate of computer ownership increases; this is especially true for those who own two or more computers. Ownership of at least one computer increases from 33 percent of households with incomes of less than \$25,000 to 97 percent of households earning \$75,000 and more. Ownership of multiple computers—a subset of the above—increases from 5 percent of lowest income respondents to 49 percent of highest income respondents.
- Similarly, education was positively correlated with computer ownership. The rate of computer ownership was 35 percent for those with less than a high school education, increasing to 86 percent of respondents with postgraduate study or degree.

EXHIBIT 1
Number of Computers in the Home

Year	None	One	Two or More
2002	34%	45%	21%
2001	44%	39%	16%

SOURCE: Public Sector Consultants Inc.

EXHIBIT 2
Home PC Ownership, by Region

Region	No Computer	One Computer	Two or More Computers
City of Detroit	47%	40%	14%
Metro Detroit	26%	48%	26%
Southern	31%	39%	30%
Western	33%	46%	21%
Central	29%	47%	23%
Thumb	37%	56%	18%
Northern Lower Peninsula	36%	49%	14%
Upper Peninsula	33%	56%	11%

SOURCE: Public Sector Consultants Inc.

NUMBER OF OTHER DEVICES IN THE HOUSEHOLD

Most respondents reported owning cellular phones (63 percent), but digital cameras and DVD players are found in only 28 and 39 percent of households, respectively. Ownership of Palm™ and/or other hand-held computers was reported by the fewest respondents (16 percent).

As was the case in 2001, ownership of cell phones is higher in both the City of Detroit and Metro Detroit than in other regions of the state. In addition, more African Americans report owning a cell phone (76 percent) than do whites (61 percent).

EXHIBIT 3
Cell Phone Ownership, by Region

Region	No Cell Phone	One Cell Phone	Two or More Cell Phones
City of Detroit	30%	27%	43%
Metro Detroit	25%	37%	38%
Southern	37%	39%	22%
Western	45%	30%	25%
Central	36%	30%	34%
Thumb	44%	28%	27%
Northern Lower Peninsula	46%	30%	24%
Upper Peninsula	50%	34%	16%

SOURCE: Public Sector Consultants Inc.

EXHIBIT 4
Why Don't You Have a Computer at Home?
(asked only of people without a computer at home)

Reason Given	2002
Too expensive	25%
Do not want a home computer	23%
Too hard to learn and use	16%
No time to use a home computer	15%
Can use a computer somewhere else	14%
Don't know	6%
Another reason	1%

SOURCE: Public Sector Consultants Inc.

- Almost twice as many parents of school-age children (37 percent) as respondents without school-age children (21 percent) believe a computer is too expensive.
- Statewide, 25 percent of the respondents reported the cost of ownership as a barrier. The comparable figures in the City of Detroit were 44 percent; in Metro Detroit, 30 percent; and in the Upper Peninsula, only 7 percent.
- The majority of African-American respondents (53 percent) reported cost as a barrier compared to 20 percent of whites.
- Choosing not to have a computer at home was reported by 23 percent of respondents statewide. The regional figures were 11 percent within the City of Detroit compared to 29 percent in Metro Detroit and 54 percent in the Southern region.

EXHIBIT 5
Have You Ever Used the Internet?

Year	Yes	No
2002	67%	33%
2001	58%	42%

SOURCE: Public Sector Consultants Inc.

- Statewide, two of every three (67 percent) respondents reported using the Internet. The rate for personal Internet use in the City of Detroit was slightly more than one in two (56 percent). In contrast, Metro Detroit had a rate of nearly three in four (73 percent).
- Fifty-seven percent of African Americans have personally used the Internet compared to 69 percent of whites.
- Eighty percent of respondents with children of school age or younger have used the Internet compared to 61 percent of respondents without school-age children.
- Use continues to vary with age—decreasing from 89 percent of respondents under age 25, to 71 percent of 45–54-year-olds, to 21 percent of respondents aged 75 and older.
- Use continues to vary with educational attainment—increasing from 30 percent of respondents with less than a high school education, to 61 percent of high school graduates, to 88 percent of respondents with a college or postgraduate degree.

- Use continues to vary with income—increasing from 39 percent of those respondents with household income of less than \$25,000 per year to 94 percent of households earning \$75,000 per year or more.

EXHIBIT 6
Why Haven't You Used the Internet?
(asked only of nonusers)

Year	2002	2001
No access to the Internet	31%	30%
Too complicated or don't understand how to use	22%	16%
Not worth the time, hassle, or expense	28%	31%
Difficult to read information on the Internet	3%	n/a
Some other reason	8%	20%
Don't know	7%	4%

SOURCE: Public Sector Consultants Inc.

- Nearly twice as many parents of school-age children believe the Internet is not worth the time, hassle, or expense (40 percent) as selected no access (19 percent) or lack of understanding (21 percent) as reasons for nonuse.
- Answers to this question remain nearly unchanged from the previous survey.

Comparisons: Michigan Public and Online Respondents

EXHIBIT 7 Who in Your Family Uses the Internet?

	Michigan Public*	Public—Online**	Internet Respondents***
All of my family	30%	42%	41%
Most of my family	26%	27%	30%
Some of my family	28%	24%	22%
None of my family	12%	5%	6%
Don't know	4%	1%	1%

*Based on the 800-person telephone survey.

**All Internet users, as identified in the 800-person telephone survey.

***Based on the Internet survey of online Michigan residents.

SOURCE: Public Sector Consultants Inc.

- In the majority of Michigan households (84 percent), at least one person in a family—though not necessarily in the same household—is known by the respondent to use the Internet.
- The percentage of respondents who report that their entire family uses the Internet increases with the education level of the respondent, from 14 percent of respondents with less than a high school education to 45 percent of respondents with postgraduate work or degree. The share increases with income as well, from 15 percent of lowest income respondents to 56 percent of highest income respondents.
- Responses are statistically similar between the Michigan online universe and the respondents to the Internet survey, with the plurality of both groups reporting that all of the family is online.

EXHIBIT 8 Should We Move Slowly or Quickly in Using the Internet for Communication Between Citizens and Their Government?

	Michigan Public	Public—Online	Internet Respondents
Slowly, because too many people lack Internet access	36%	33%	19%
Quickly, because it offers opportunities for improved service, communication, and efficiency	43%	54%	69%
Don't know	17%	11%	12%

SOURCE: Public Sector Consultants Inc.

- A majority of the Michigan public who chose either “slowly” (61 percent) or “quickly” (83 percent) *has* used the Internet. Therefore, the expectation that people who desire to move slowly are primarily Internet nonusers does not hold.

- Respondents who are more familiar with the Internet are more likely to respond that we should move “quickly” to implement Internet communication between citizens and government. While the Michigan public is divided, nearly three quarters (69 percent) of Internet respondents believe we should move “quickly.”

EXHIBIT 9
How Concerned Are You That Personal Information Given to a Computer-Based Service Will Not Be Kept Confidential?

	Michigan Public	Public—Online	Internet Respondents
Very concerned	52%	51%	42%
Somewhat concerned	32%	39%	51%
Not at all concerned	14%	9%	6%

SOURCE: Public Sector Consultants Inc.

- Regardless of the group, between 84 and 93 percent of respondents are “very” or “somewhat concerned.”
- Even when looking only at Internet respondents—theoretically the most Internet-savvy group—the percentages are virtually constant across all demographic variables. In only one instance did the percentage of those reporting not being concerned reach double digits: 11 percent of those Internet respondents aged 65 to 74 reported not being concerned.

EXHIBIT 10
Should Public Records Be Available Over the Internet?

	Michigan Public	Public—Online	Internet Respondents
Yes, should be publicly available over the Internet	19%	21%	31%
No, should not be publicly available over the Internet	76%	75%	61%
Don't know	4%	3%	8%

SOURCE: Public Sector Consultants Inc.

- Regardless of the group, the majority of respondents believe that public records should *not* be available via the Internet.
- Once again, even among the most Internet-savvy respondents, few substantial demographic or geographic variations are noted between the “yes” and “no” responses.

EXHIBIT 11
Where Would You Like to Vote This November?

	Michigan Public	Public—Online	Internet Respondents
In the voting booth on Election Day	43%	41%	26%
Over the Internet during the previous weeks	26	35	64
Through the mail during the previous weeks	25	20	8

SOURCE: Public Sector Consultants Inc.

- The preference for voting in a booth on Election Day varied with age. Forty-five percent of those aged 35 and older prefer this method while one-third of those younger than 35 do so.
- The majority (56 percent) of those aged 75 and older prefer to vote by mail.
- Thirty-eight percent of those under age 45 prefer Internet voting compared to a rate of 17 percent for those aged 45 and older.
- Few differences in preferred voting method were noted in terms of race.
- Use of a voting booth as the preferred method ranged from 55 percent in the Southern region to 36 percent in the Upper Peninsula.
- Voting via the Internet as the preferred method ranged from 31 percent in the Southern region to 18 percent in the Thumb.

Internet Users

The analysis in this and the next section provides detailed information about Internet use and attitudes from Michigan's online population and is based on the survey of Michigan residents via the Internet. It is worth noting that those who respond to an Internet survey may be presumed to have a higher level of sophistication than all Internet users in general. **Therefore, these responses are not necessarily representative of the entire online population in Michigan and may vary in important ways.** Reviewing the responses from these advanced (or highly motivated) Internet users, however, is of interest to cyber-state.org, as many of these users are in the vanguard and may presage the future of Internet use for the state as a whole.

The information is organized around several broad themes. First, use of technological devices in the sample population is examined. This includes general Internet use and method of Internet access. Second, Internet access to the State of Michigan website by respondents is assessed. Third, extending access to the government through the Internet is evaluated. This information includes respondents' opinions about the confidentiality of information and whether specific records should be available on government websites. Finally, respondents' interest in having more information on local government available online is assessed both in terms of intensity of interest as well as specific topics of interest. Included are a summary appraisal of the benefits and drawbacks of increased government use of Internet technology and an assessment of online voting.

INTERNET USE

The vast majority of respondents (94 percent) reported that their most recent Internet use took place the preceding day. Looking at duration of use, 66 percent of respondents reported that they have been users for more than three years.

Long-term use varied across several demographic factors. The low end was found in the Upper Peninsula, where 59 percent had used the Internet for three or more years; the high occurred in the Metro Detroit and Central regions, where 74 percent reported use for three or more years. Eighty-two percent those younger than age 25 had used the Internet for more than three years, while among those aged 65 and older the rate was 55 percent. Those with postgraduate education had a three-year utilization rate of 89 percent.

INTERNET CONNECTION

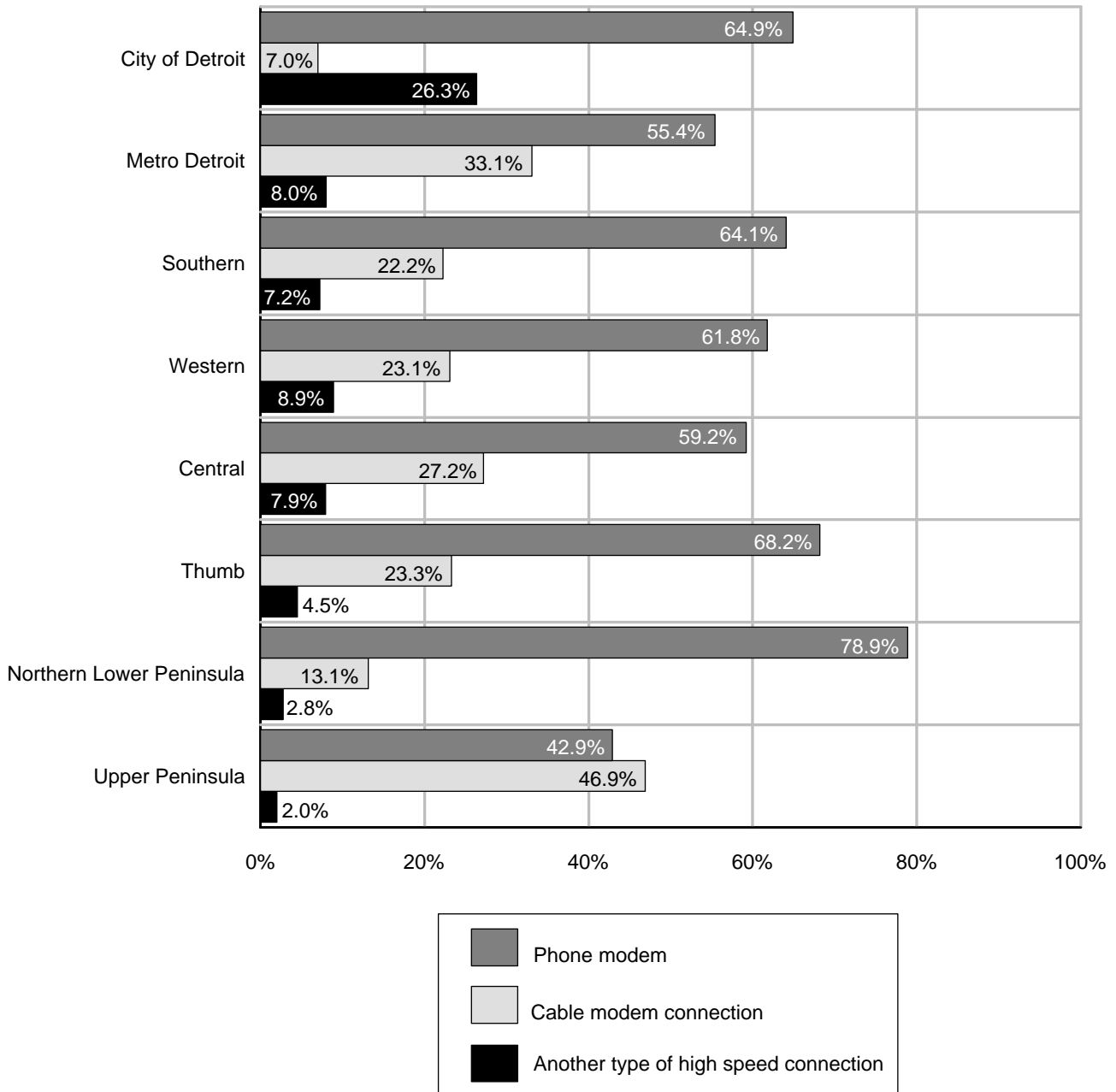
Overall, phone modems represent 62 percent of all Internet connections. Higher speed cable modems account for 25 percent, while DSL and ISDN lines and other high-speed connections represent 6 percent of connections.

Internet connection varied by region and mirrored the overall pattern above. The Northern Lower Peninsula had the greatest use of conventional modems while the Upper Peninsula had the least. Conversely, the Upper Peninsula had the highest use of higher speed cable modem connections. In fact, it has become the dominant type of connection in that region.¹ With the exception of the Upper

¹ This finding and Exhibit 12 are based on 50 respondents (total) to the survey who live in the Upper Peninsula and 57 in the City of Detroit. As was stated in the introduction to this section, these respondents likely represent the heaviest users—therefore, the high prevalence of cable modems is expected. PSC does not believe, however, that this figure represents the true penetration of cable modems in the Upper Peninsula or of high-speed access in the City of Detroit.

Peninsula, conventional modems predominate. It appears, however, that high-speed connections are becoming more accepted and available over time.

EXHIBIT 12
Type of Internet Connection, by Region



NOTE: This finding and Exhibit 12 are based on 50 respondents (total) to the survey who live in the Upper Peninsula and 57 in the City of Detroit. These respondents likely represent the heaviest users—therefore, the high prevalence of cable modems is expected. PSC does not believe, however, that this figure represents the true penetration of cable modems in the Upper Peninsula or of high-speed access in the City of Detroit.

SOURCE: Public Sector Consultants Inc.

While the prevalence of higher speed Internet connections is substantial and apparently growing, most respondents still prefer to use a phone modem as their method of connection. The reasons given for *not* switching to broadband alternatives are varied.

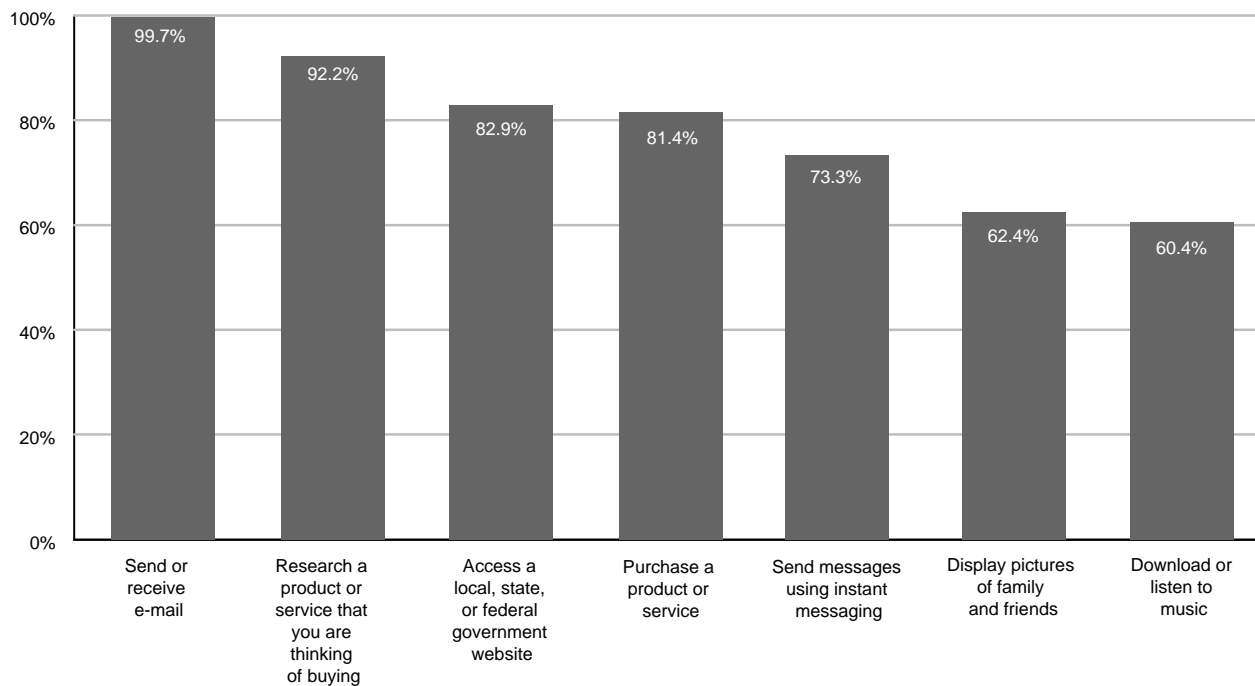
- Twenty-five percent of current phone modem users said that broadband connections were not available in their area.
- Of current phone modem users who said broadband connection was available, 61 percent felt it was too expensive.
- Of current phone modem users who said broadband connection was available, only 13 percent said they were satisfied with their phone modem service.

On the one hand, a relatively minor portion of respondents reported being satisfied with their modem service. On the other hand, a substantial majority are not broadband subscribers because of the expense. Given this, it seems likely that if the cost of broadband services declines, many current phone modem users would switch to the higher speed service.

INTERNET ACTIVITIES

Internet use among this population is fairly vigorous for each type of monthly activity. Communication is a very robust activity on the Internet. For example, sending and receiving e-mail is ubiquitous, with nearly 100 percent reporting participation in this activity during a typical month. In like manner, more than 74 percent report sending instant messages.

EXHIBIT 13
General Internet Activities in a Typical Month



SOURCE: Public Sector Consultants Inc.

Finally, using the Internet to display pictures of family and friends was reported by 65 percent of respondents. While relatively constant across age groups, one notable variation was among those aged 64 and older, 73 percent of whom report using the Internet for this purpose.

Use of the Internet for accessing government websites was fairly high at 81 percent. The most significant demographic variance was for education: About 86 percent of respondents with a college degree or more education access government websites in any given month compared to 71 percent of those with a high school education or less.

Also extremely common is using the Internet for purchasing goods and services. Researching a product or service they were thinking of buying was an activity reported by 92 percent of users. Purchasing a product or service through the Internet was reported by about 81 percent of respondents. This activity was more common among those with income of \$75,000 and above, with 89 percent reporting such purchases.

Of those who had not purchased something using the Internet in a typical month, 44 percent have purchased items through the Internet at some other point in time. The remainder (56 percent, or 9 percent of all survey respondents) cited reasons for never purchasing anything through the Internet including concern about the security of their payment information (42 percent), a desire "to see or touch an item before I buy it" (33 percent), and concern about privacy issues (14 percent).

Asked whether they had ever traded stock, paid a bill, and/or transferred money to or from a bank account via the Internet, 45 percent of respondents reported having done so. Interesting demographic patterns were noted.

- Regionally, Metro Detroit was the leader, with 48 percent of respondents reporting this activity. Residents in Northern Lower Michigan (39 percent) and the Upper Peninsula (31 percent) were the least likely to perform these activities online.
- Making financial arrangements via the Internet was inversely related to age. Fifty-two percent of those younger than age 34, 45 percent of those aged 35–54, and 38 percent of those over age 55 reported performing these activities online.
- A positive relationship was noted between income and the rate of participation in these financial activities. Those with annual income of less than \$50,000 had a participation rate of 41 percent compared to a rate of 55 percent for those with income of \$50,000 or more.
- Another positive correlation was noted between education and the rate of participation in these financial activities. Those with a high school education or less had a participation rate of 35 percent compared to 50 percent for those with more education.

The least common activity was downloading or listening to music on the Internet, with 60 percent of respondents reporting this activity. Responses showed a negative correlation of this activity with age. Fewer than 40 percent of those over age 55 reported downloading or listening to music. Conversely, 70 percent of those aged 44 and younger reported doing so. The rate reached a high of 79 percent for those younger than age 25.

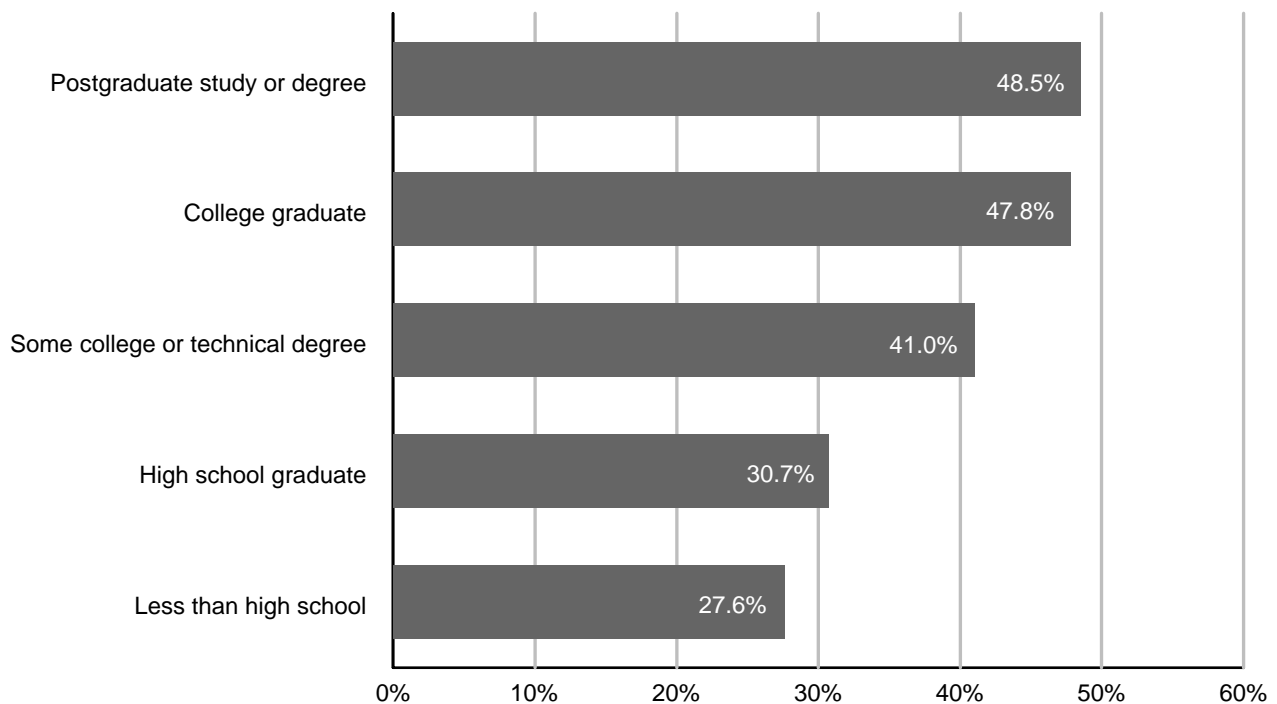
The Internet and Government

THE INTERNET AS A TOOL FOR ACQUIRING GOVERNMENT INFORMATION

Over the past 24 months the State of Michigan has substantially redesigned its website, expanding the number transactions state residents can conduct on the Internet. Forty percent of respondents indicated they have used the website. It is noteworthy that this rate was substantially below that for general Internet activity outlined above.

By region, Central Michigan respondents were the most intensive users, with 50 percent accessing the website at some time. The least intensive users were in Western Michigan and the Upper Peninsula, with rates of 33 percent and 32 percent, respectively. Use of the website is clearly related to education level: The proportion of respondents using the website increased in step with their education level.

EXHIBIT 14
Education and Proportion of Respondents Using the State of Michigan Website



SOURCE: Public Sector Consultants Inc.

In terms of the types of transactions conducted on the Michigan government website, information acquisition appears to be of greatest interest. Of those who had used the website, 75 percent had done so to make inquiries about agency services. Similarly, 65 percent of respondents reported using the website to inquire about tourism or recreation. Gathering information about policy issues was reported by 47 percent of respondents. Finally, 41 percent reported using the site to complete research for work or school.

Activities related to making arrangements with or purchasing permits from the State of Michigan appear to be of minor interest. Reserving a campsite was reported by 10 percent of respondents, purchasing a hunting or fishing license was reported by 7 percent, and reserving a boat slip was reported by only 0.5 percent of those taking the survey.

INTERNET ACCESS TO GOVERNMENT, PRIVACY, AND AVAILABILITY OF PUBLIC RECORDS

Generally, respondents expressed high approval for extending access to the government through the Internet, with more than 69 percent of respondents believing access should be expanded. Most regions reflected this belief, with the highest approval (74 percent) recorded in the Upper Peninsula. Those with more than a high school education approved of extending access at rates greater than 70 percent. Those with less education favored extending access at a rate of 60 percent. Incomes tended to affect the approval rate: Respondents with income of \$75,000 and more approved of increased access at a rate of 76 percent, while those with income of less than \$75,000 had an approval rate of 68 percent.

While there is widespread approval of increasing Internet access to government, there is considerable concern regarding the confidentiality of the resulting computer-based information. Ninety-four percent of respondents reported that they were somewhat or very concerned about this issue. The percentage was virtually constant across all demographic variables. In only one instance did the percentage of those reporting not being concerned reach double digits: 12 percent of those aged 65 to 74 reported not being concerned.

To probe this sense of caution, respondents were asked whether "public records like driving records, marriage records, real estate purchases, and court cases should or should not be publicly available over the Internet." Sixty percent of those surveyed responded negatively to this question. Few substantial demographic or geographic variations in responses were noted.

AVAILABILITY OF INFORMATION ON THE LOCAL GOVERNMENT WEBSITE

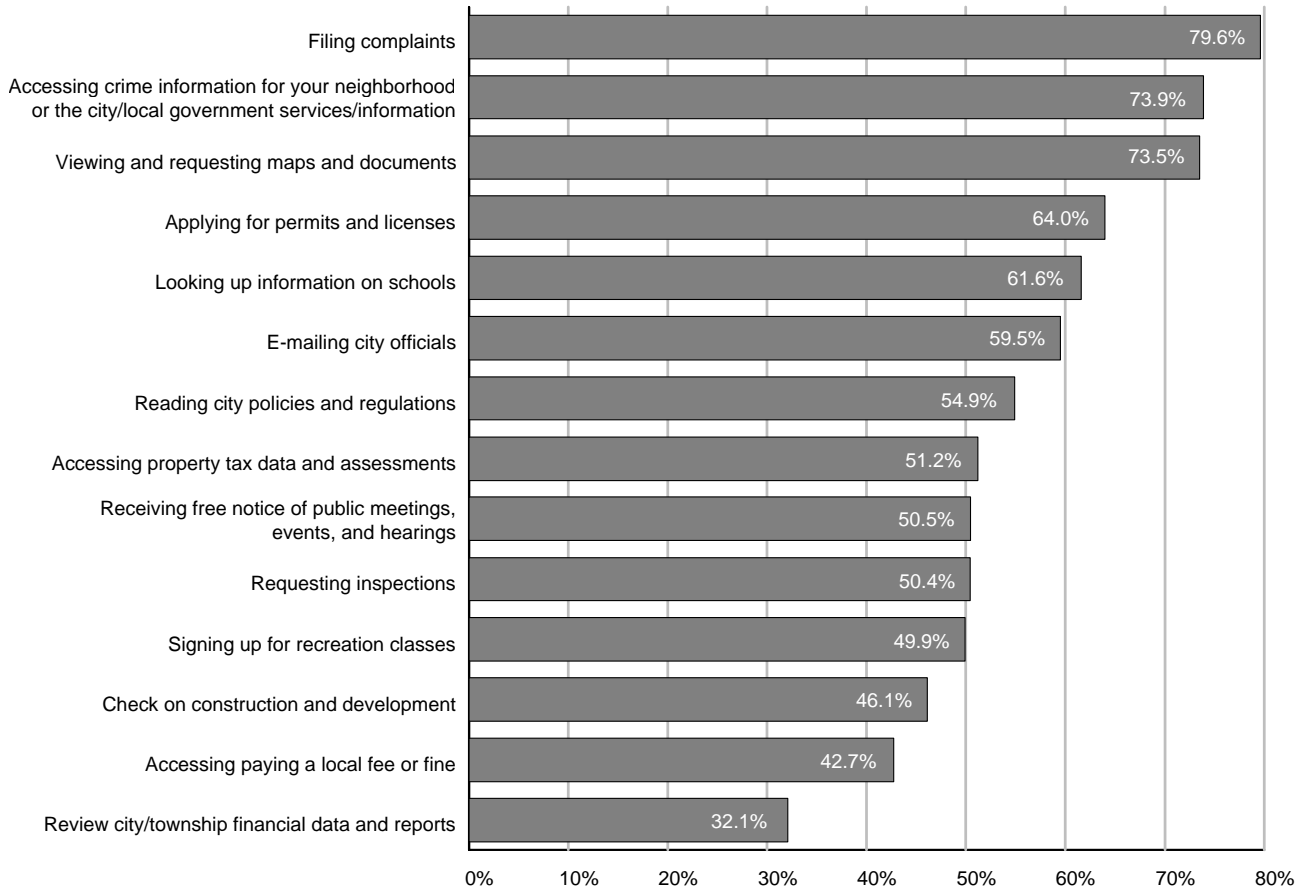
Respondents were asked to evaluate the priority of increasing the availability of government information and services over the Internet. This question was assessed on a scale of 1 to 10 with 1 being a very low priority and 10 a very high priority. On average about 82 percent of respondents felt positive about this issue, with nearly 30 percent rating the priority a 9 or 10.

Respondents' interest in government increasing the availability of information and services over the Internet is strongly reflected in their responses by topic. These are outlined in Exhibit 15, which reports the percentage of respondents who rated each item either 4 or 5 on a 5-point scale, with 1 being not interested and 5 being very interested.

The most favored topics are filing complaints (80 percent rated the item a 4 or 5), accessing crime information (74 percent), viewing and requesting maps and documents (74 percent), and looking up information on schools (62 percent). At the other extreme were reviewing city/township financial data (32 percent) and accessing or paying a local fee or fine using the Internet (43 percent). See Appendix B for detailed demographic variation.

EXHIBIT 15

Accessing Local Government Services or Information



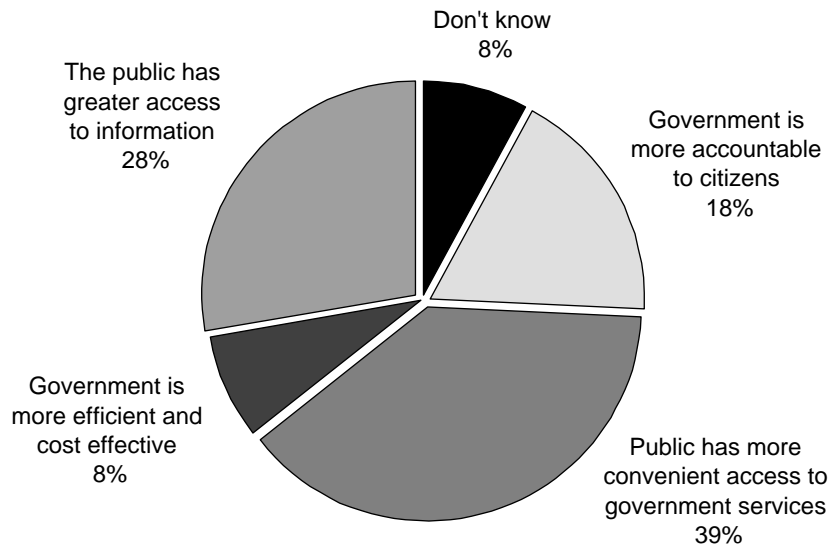
SOURCE: Public Sector Consultants Inc.

BENEFITS, DRAWBACKS, AND INTERNET VOTING

More convenient access to government service and greater access to information were seen as nearly equal benefits by the largest percentages of respondents, 28 percent and 39 percent, respectively. Government accountability was reported as a benefit by about 18 percent of respondents. Government efficiency and cost effectiveness was cited as a benefit by 8 percent of respondents.

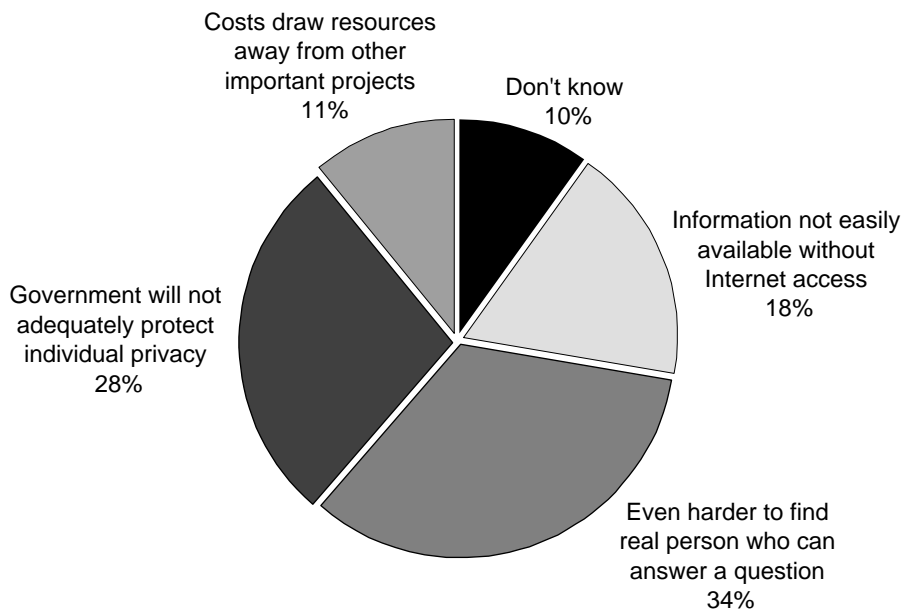
The loss of the human contact is cited as the single greatest drawback, with 34 percent noting that difficulty finding a real person who can answer a question is the largest problem. Echoing previously noted concerns about confidentiality, 28 percent of respondents noted protection of individual privacy as a drawback. Eighteen percent of respondents expressed concern that information was not easily available without Internet access. Prioritization concerns were expressed by 11 percent, who noted that the cost of improving Internet access might draw resources away from other projects.

EXHIBIT 16
Greatest Benefits of Access to Government Service and Information
via the Internet



SOURCE: Public Sector Consultants Inc.

EXHIBIT 17
Greatest Drawbacks of Access to Government Service and Information
via the Internet



SOURCE: Public Sector Consultants Inc.

Respondents were asked whether they preferred to vote in a booth, online, or through the mail. Nearly two-thirds expressed interest in voting online. Twenty-six percent supported continued use

of the traditional voting booth and only 8 percent expressed interest in voting by mail. Geographic and demographic variations among those interested in voting online are as follows:

- Western and Southern Michigan residents were more interested than those from other regions in online voting, with 68 percent in both regions reporting an interest in voting in this manner. The lowest interest level was found in the City of Detroit, where 56 percent favor online voting.
- Those over age 45 approved of online voting at a rate of 61 percent. In comparison, among those younger than age 45 the approval rate was 68 percent.
- Seventy percent of those with income of \$75,000 and more supported online voting.
- Sixty-nine percent of parents supported online voting, while 61 percent of those without children did so.

Trends in Business Use of Information Technology in Michigan

The next three sections present information from a survey of 469 business leaders via the Internet. As was the case for the Internet survey of the Michigan public, **the results are not necessarily representative of the universe of online businesses in Michigan and may vary in important ways**. One of the primary variations may be simply the definition of business leaders rather than online businesses. Cyber-state.org and PSC intended the survey results to reflect the opinions those in charge of businesses and, by implication, in charge of (or with substantial influence over) technology budgets, strategic planning, and business operations.

PREVALENCE OF INTERNET ACCESS AND USE BY BUSINESSES AND EMPLOYEES

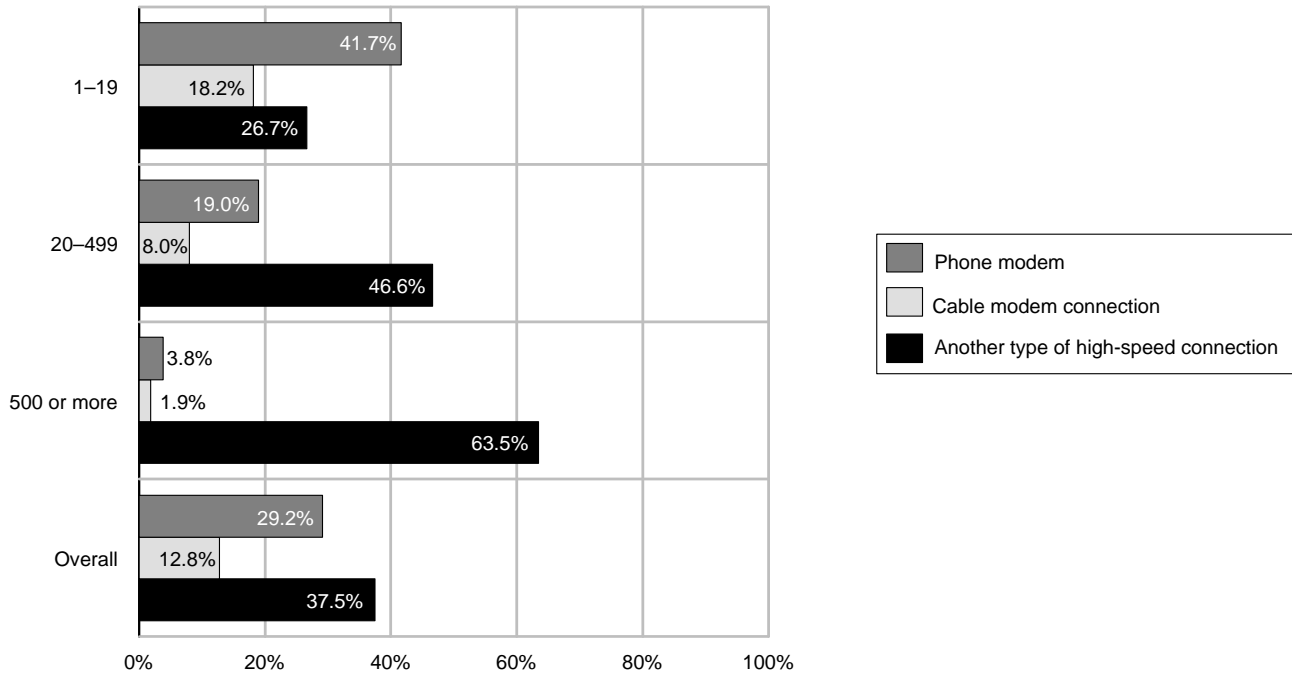
Business use of information technology is widely prevalent in Michigan, with more than 93 percent of business leaders reporting having computers in the work site. Those lacking computers are the smallest enterprises (fewer than 20 employees). The level of access for individual employees is extensive as well, with 65 percent of all enterprises reporting that more than half their employees have computers in their work area. The rate ranged from 61 percent for businesses with fewer than 20 employees to 65 percent of businesses with 20–499 employees to 79 percent of businesses with 500 or more employees.

In terms of Internet access, 89 percent of business leaders had access, which mirrors the prevalence of work site computers. The level of individual access is substantial, with an average of nearly 57 percent of business leaders reporting that more than half their employees have access to the Internet. These figures were constant regardless of business size.

Method of Internet access varied widely. This variance is likely attributable to issues of affordability and complexity of the organization. The larger enterprises need more extensive and expensive Internet infrastructure to support their businesses, while smaller businesses use more economical access methods.

- The most common type of access was through a modem, with 29 percent of businesses reporting this method. Size of business affected use of modem access, which ranged from 42 percent utilization by small enterprises down to 4 percent by large enterprises with more 500 employees.
- Other high-speed connections accounted for 38 percent of Internet connections. This type of access again varied by size of business, with small enterprises of fewer than 20 employees reporting 27 percent use, while 64 percent of businesses with more than 500 employees reported using this type of access.
- Cable modem access contributed another 13 percent of Internet connections. This type of access was favored by 18 percent of small businesses of fewer than 20 employees. Businesses with 20–499 employees reported an 8 percent rate of use, while only 2 percent of large enterprises reported using this access method.
- Twenty-one percent of respondents reported that they did not know what Internet access type was available.

EXHIBIT 18
Type of Internet Connection, by Business Size



SOURCE: Public Sector Consultants Inc.

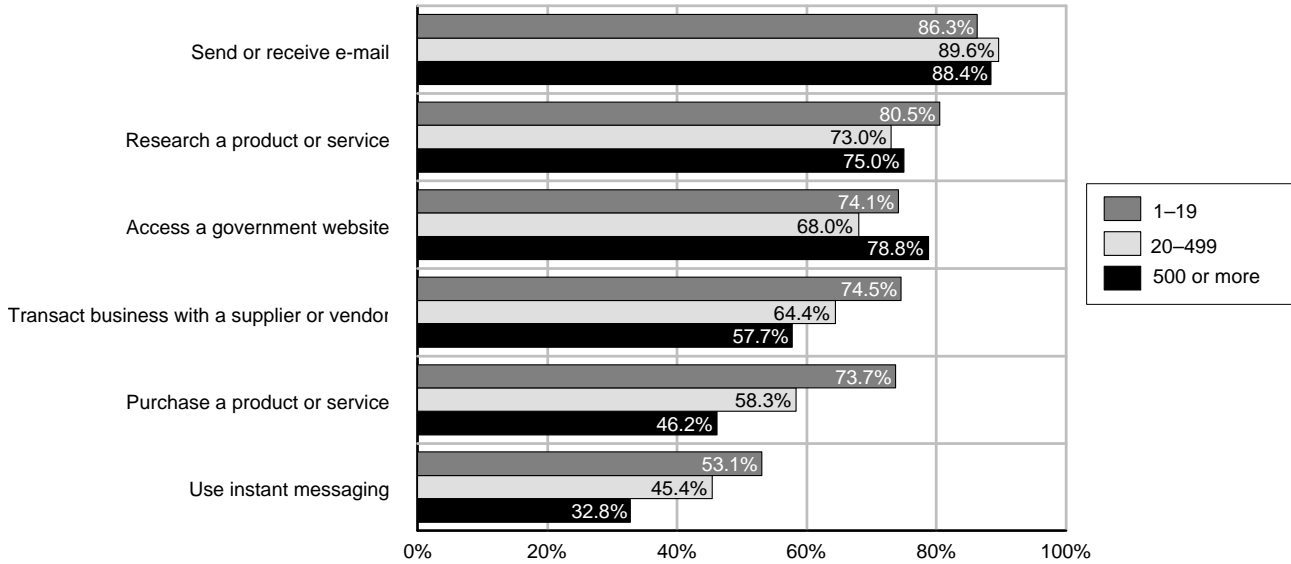
Nearly 84 percent of respondents reported using the Internet from their business. Of the 15 percent not using the Internet, 60 percent reported that they either do not have or do not need access. Another 22 percent reported that accessing the Internet was prohibited. For most companies, however, Internet use has been a relatively long-term proposition; fully 80 percent of the enterprises reported more than three years of use.

Overall, access to the Internet has penetrated business operations. The majority of employees have access to the Internet through the widespread distribution of computers at the work site. Major variation in method of access by enterprise size is noted above and presumably reflects the expense and the structure of organizations.

INTERNET ACTIVITIES

Internet use covers a broad range of activities that vary by business size. The single most prevalent use is for sending and receiving e-mail, a use reported by more than 87 percent of businesses. Using the Internet to research products and services is similarly prevalent, with more than 77 percent reporting this activity. Less performed activities include purchasing a product or service; fewer than 65 percent of respondents reported this activity. Instant messaging was the least performed activity, with fewer than 48 percent reporting this use of the Internet.

EXHIBIT 19 Internet Activities, by Number of Employees



SOURCE: Public Sector Consultants Inc.

- Sending and receiving e-mail was broadly used by all enterprises regardless of the number of employees.
- The smallest companies make somewhat more extensive use of the various activities. This was particularly true in terms of purchasing and researching a product or service and the use of instant messaging.
- The largest companies tend to use the Internet less frequently for purchasing a product or service.

INTERNET PURCHASING

Internet purchase of products and services by survey respondents averaged 64 percent for all businesses. Of particular interest, however, are the 33 percent that do not use the Internet for purchasing. While more than 90 percent of this group has never purchased through the Internet, at least 39 percent report having someone else in the organization who purchases products or services this way.

- Just over 9 percent of respondents have at some time purchased items for their businesses through the Internet, if not in a typical month.
- Of the 91 percent who have never personally purchased items through the Internet, 39 percent know of someone else in their company who has done so.
- Extrapolating from these figures, 62 percent of respondents purchase via the Internet on a monthly basis, 3 percent have used the Internet to purchase for their business at some time, and 12 percent know someone in their company who has purchased through the Internet.
- Thus, in at least 78 percent of businesses, someone at some time has used the Internet to purchase products or services.

Business Attitudes about the Internet and Society

A plurality of respondents believes that the Internet assists them in getting more work done. This was true regardless of the size of the business. Nearly as frequently, however, respondents report that the Internet does not have an impact on their productivity at work. Significantly, few believe that the Internet is a detriment to their ability to work.

EXHIBIT 20

Do You Get More Work Done These Days Because of the Internet?

I get more work done	52.9%
I get less work done	5.8%
I get about the same amount done as ever	38.4%
Don't know	2.7%

SOURCE: Public Sector Consultants Inc.

When considering the public sector, most businesses believe the Internet should be expanded more quickly than current implementation. This was true regardless of the number of employees in the enterprise. In this regard, business leaders were most similar to online Internet respondents from the public survey (discussed above).

EXHIBIT 21

Which of the Following Two Statements about Government Use of the Internet Comes Closest to Reflecting Your Own View?

We should proceed slowly	17.1%
We should proceed quickly	69.1%
Don't know	13.4%

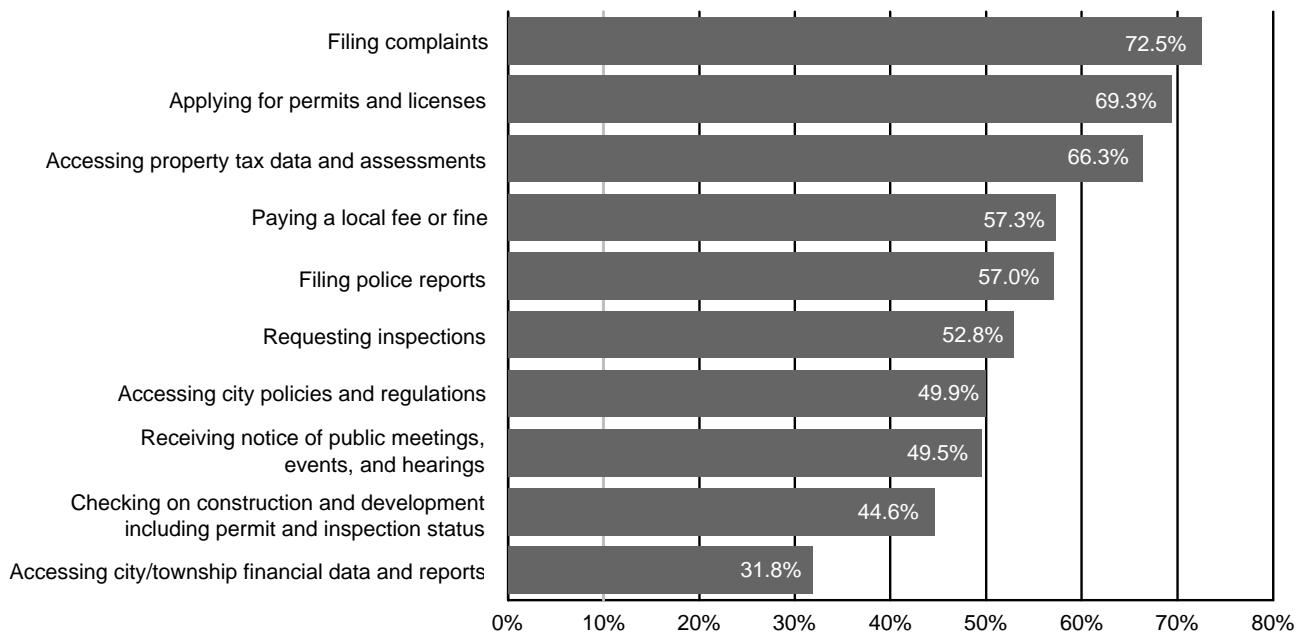
SOURCE: Public Sector Consultants Inc.

Business and Government Internet Technology

More than 72 percent of businesses report accessing federal, state, or local government websites at least monthly. Fifty-five percent rate these websites as either very good or excellent in quality.

The following exhibit ranks, by level of respondent interest, several types of federal, state, or local government information. Respondents scored each item on a scale of 1 to 5, with 1 being very interested and 5 being not interested at all. The percentage represents the rate at which the activity received a score of 1 or 2.

EXHIBIT 22
Respondent Interest in Access to Federal, State, or Local Government Information



SOURCE: Public Sector Consultants Inc.

- The three most favored online activities were filing complaints, applying for permits and licenses, and accessing property tax and assessments. Each scored at least 66 percent approval.
- Businesses with more than 500 employees gave higher scores for these activities than smaller businesses.
- The three least favored online activities were accessing city and/or township financial data and reports, checking on construction and development issues, and receiving notices of public meetings. Each scored less than 50 percent approval.
- Businesses with more than 500 employees gave higher scores for these activities than smaller businesses.

Respondents rarely said they were "not interested at all" in information sources. In fact, by a large majority respondents believe that local government should assign a greater priority to improving information services on the Internet, with more than 81 percent favoring this commitment.

BENEFITS AND DRAWBACKS OF BUSINESS ACCESS

In terms of the benefit of business access to government through the Internet the following were noted:

- Nearly 9 percent believe government is more accountable to local businesses through the Internet.
- Thirty-three percent reported that businesses would have better access to information on the Internet.
- Fifteen percent think government is more efficient and cost effective.
- Thirty-one percent believe Internet access will provide more convenient access to government services.

Several drawbacks were reported as well:

- More than 12 percent of respondents report that information is not easily available without Internet access.
- Nearly 47 percent believe Internet access will make it harder to find a real person to answer questions.
- More than 16 percent think that government will not protect privacy on the Internet.
- More than 9 percent believe that resources will be drawn away from projects because of the cost of putting information on line.

Appendix A
Survey Instruments and Data

2002 CYBER-STATE.ORG PUBLIC SURVEY: TELEPHONE SURVEY—MICHIGAN POPULATION

Hello, I'm calling from Public Sector Consultants in Lansing, Michigan. We are conducting a survey about how Michigan residents use information technology in their daily lives. The survey is not being conducted for any candidate, political party, or business.

[RANDOM SELECTION OF RESPONDENT AT HOUSEHOLD LEVEL]

Are you 18 years of age or older and a resident of Michigan?

Yes Continue
No Terminate

Before we begin, let me tell you that this interview is completely voluntary. If we come to any question that you don't want to answer, just let me know and we'll go on to the next question. Let me also assure you that all your responses will remain confidential.

[IF THE RESPONDENTS ASKS FOR MORE INFORMATION ABOUT THE SURVEY SPONSOR: "The survey is being conducted by Cyber-state, a nonpartisan, nonprofit organization that advocates for information technology to benefit everyone in Michigan."]

1. Please tell me how many of each of the following are found in your home. [RECORD RAW NUMBER. CODE DON'T KNOW AS 888. CODE REFUSED/OTHER AS 999.] [FOR EACH ITEM, ASK "How many _____ do you have in your home?"]

	0	1	2 or More	Refused
Personal computer	33.6	44.7	21.4	0.3
PalmPilot or other hand-held computer	83.6	11.8	4.2	0.4
Cellular phone	37.2	30.6	31.9	0.2
Digital camera	71.7	24.4	3.7	0.2
DVD player	61.3	28.3	10.2	0.2

2. [ASK ONLY IF Q1A > 0 AND < 888] Do you have Internet access at your home?

84.3	Yes
15.2	No
0.5	Don't know/undecided [VOLUNTEERED]
0.0	Refused/other [VOLUNTEERED]

3. [ASK ONLY IF Q1A = 0] Which of the following statements best describes why you do not have a computer at home? [ROTATE]

15.0	I have no time to use a computer at home.
14.2	I can use a computer somewhere else, such as at work, school, or at a library.
23.0	I do not want a computer at home.
24.6	A home computer is too expensive.
16.3	Computers are too hard to learn and use.
5.7	Don't know [VOLUNTEERED]
1.1	Refused [VOLUNTEERED]

4. Have you yourself **ever** used the Internet?

66.7	Yes [GO TO Q6]
33.2	No [CONTINUE TO Q5]
0.1	Don't know/undecided [VOLUNTEERED] [GO TO Q7]
0.0	Refused/other [VOLUNTEERED] [GO TO Q7]

5. [ASK ONLY IF Q4 = 2 “no”] Which of the following reasons best describes why you have not used the Internet? [ROTATE]

31.0	No access to the Internet
21.8	Too complicated/don't understand the Internet
28.4	Not worth the time, hassle, or expense
3.4	It's difficult to read information on the Internet
8.2	Other [VOLUNTEERED]
6.9	Don't know [VOLUNTEERED]
0.4	Refused [VOLUNTEERED]

6. Think of the members of your family—your brothers, sisters, parents, and children. Do all, most, some, or none of the members of your family use the Internet?

30.1	All of my family uses the Internet.
25.5	Most of my family uses the Internet.
27.8	Some of my family uses the Internet.
12.1	None of my family uses the Internet.
4.3	Don't know [VOLUNTEERED]
0.2	Refused [VOLUNTEERED]

Next, I would like to ask you a series of broad questions about technology and everyday life.

7. Which of the following two statements about citizens using the Internet to communicate with government comes closest to reflecting your own view? [ROTATE]

36.2	We should proceed slowly in using the Internet for communication between citizens and their government, because too many people lack Internet access. OR
43.3	We should proceed quickly in expanding use of the Internet for communication between citizens and their government, because it offers opportunities for improved service, communication, and efficiency.
16.7	Don't know [VOLUNTEERED]
3.8	Refused/other [VOLUNTEERED]

8. How concerned are you that personal information you provide to a computer-based service will not be kept confidential? Are you very concerned, somewhat concerned, or not at all concerned?

52.3	Very concerned
31.5	Somewhat concerned
14.2	Not at all concerned
1.5	Don't know [VOLUNTEERED]
0.6	Refused/other [VOLUNTEERED]

9. Government agencies keep public records like driving records, marriage records, real estate purchases, and court cases. Do you think these records should or should not be publicly available over the Internet?

19.2	Should be publicly available over the Internet
75.5	Should not be publicly available over the Internet
4.3	Don't know [VOLUNTEERED]
1.0	Refused/other [VOLUNTEERED]

Next, I would like to ask you a series of questions about how citizens may use the Internet to communicate and interact with **local** governments—cities, townships, villages, and counties.

10. On a scale of 1 to 10, where 1 is a “very low priority” and 10 is a “very high priority,” what priority would you like your **local** government to assign to increasing the amount of information and services available over the Internet? [RECORD ANSWER. CODE DON'T KNOW = 20. CODE REFUSED/OTHER = 30.]

Low Priority (1-3)	Priority (4-5)	Priority (6-7)	High Priority (8-10)	Other	Don't Know
28.3%	26.4%	14.9%	23.3%	1.2%	5.8%

11. Which of the following items do you believe is the greatest **benefit** of citizen access to government through the Internet? [ROTATE]

12.9	Government is more accountable to citizens.
26.8	The public has greater access to information.
9.3	Government is more efficient and cost effective.
26.1	The public has more convenient access to government services.
4.7	Combination [VOLUNTEERED]
15.8	Don't know [VOLUNTEERED]
4.4	Refused/other [VOLUNTEERED]

12. Which of these is the greatest **drawback** of citizen access to the government through the Internet? [ROTATE]

14.0	Information is not easily available to people without Internet access.
31.2	It will become even harder to find a real person who can answer a question.
24.5	Government will not adequately protect individual privacy.
8.5	Costs of putting information on line will draw resources away from other important projects.
8.5	Combination [VOLUNTEERED]
11.0	Don't know [VOLUNTEERED]
2.3	Refused/other [VOLUNTEERED]

13. This November, Michigan voters will elect a new governor. If you had the choice **this November** of voting in a booth at a polling place on Election Day, voting over the Internet during the weeks leading up to Election Day, or voting by mail during the weeks leading up to Election Day, which would you prefer?

42.9	Vote in a booth on Election Day
26.0	Vote on line over the Internet during the previous weeks
25.4	Vote by mail during the previous weeks
3.6	Don't know [VOLUNTEERED]
2.1	Refused [VOLUNTEERED]

Next, I would like to ask you about your attitudes toward **state government** in general.

14. How much of the time do you think you can trust people who run our state government to do what is right?

13.7	Just about always
55.1	Some of the time
26.6	Not very often
2.9	Don't know [VOLUNTEERED]
1.8	Refused [VOLUNTEERED]

15. When state government leaders make statements to Michigan citizens on television or newspapers, how often do you think they are telling the truth?

8.8	Just about always
57.7	Some of the time
29.0	Not very often
3.0	Don't know [VOLUNTEERED]
1.4	Refused [VOLUNTEERED]

16. Do you think the people we elect to state offices usually try to keep the promises they have made during the election or do they forget those promises once the election is over?

38.1	Yes, try to keep
52.9	No, forget promises
7.0	Don't know [VOLUNTEERED]
2.1	Refused [VOLUNTEERED]

To conclude the survey, I have a few demographic questions to ask you.

17. Do you currently have children of school age (K–12) or younger?

30.2	Yes
69.4	No
0.0	Don't know [VOLUNTEERED]
0.4	Refused/other [VOLUNTEERED]

18. In what year were you born? [FREE RESPONSE, RECORD AS FOUR-DIGIT YEAR, CODE REFUSED/OTHER AS 9999]

<25	25–34	35–44	45–54	5564	65–74	75+
8.5%	12.4%	17.0%	23.2%	16.0%	13.5%	9.4%

19. What is the highest level of education you have completed?

16.4	Less than high school
30.9	High school graduate
29.9	Some college or technical degree
13.5	College graduate
8.0	Postgraduate study or degree
1.3	Refused [VOLUNTEERED]

20. Which of the following income groups includes your total family income last year?

21.5	Less than \$25,000
25.5	\$25,000 to \$49,999
16.8	\$50,000 to \$74,999
15.7	\$75,000 and over
20.4	Refused [VOLUNTEERED]

21. Would you mind telling me if you are African-American, Arab-American, Asian-American, Hispanic, Native American, white, or some other ethnic group?

10.0	African-American
0.7	Arab-American
0.8	Asian-American
1.2	Hispanic
2.6	Native American
77.2	White
2.9	Another group
4.6	Refused [VOLUNTEERED]

22. In what type of community do you live—large city, suburban area, small city or town, village, or rural area?

17.0	Large city
26.1	Suburban area
31.8	Small city or town
5.4	Village
17.4	Rural area
.8	Don't know [VOLUNTEERED]
1.5	Refused/other [VOLUNTEERED]

23. In what county do you live? [RECORD BY FIPS CODE. IF WAYNE COUNTY, ASK, “Do you live in the City of Detroit?” IF YES, CODE 55555. IF NO, CODE WITH WAYNE COUNTY FIPS.]

City of Detroit	Metro Detroit	Southern	Western	Central	Thumb	Northern Lower	Upper Peninsula
11.0%	28.7%	7.2%	19.1%	10.1%	13.0%	7.5%	3.4%

24. Does your county government have a website?

48.7	Yes
6.4	No
43.8	Don't know [VOLUNTEERED]
1.1	Refused [VOLUNTEERED]

25. [ASK ONLY IF THE RESPONDENT HAS USED THE INTERNET (Q4 = 1 “Yes”) AND RESPONDENT’S COUNTY IS ONLINE; SEE ATTACHED CODE SHEET FOR ONLINE COUNTIES. IF BOTH CONDITIONS ARE NOT MET THEN GO TO QUESTION 27.] Have you ever accessed your county’s website?

24.7	Yes
67.6	No
6.3	Don't know [VOLUNTEERED]
1.4	Refused [VOLUNTEERED]

26. [ASK ONLY IF Q25 = 1 “yes”] How do you rate the quality of your county’s website—excellent, good, fair, or poor?

6.3	Excellent
44.1	Good
30.9	Fair
11.4	Poor
7.3	Don't know [VOLUNTEERED]
0	Refused [VOLUNTEERED]

27. What is your ZIP Code? [RECORD 5 DIGIT ZIP CODE. IF REFUSED/OTHER CODE AS 99999] See Question 23.

28. Are you currently married?

54.0	Yes
44.1	No
0	Don't know [VOLUNTEERED]
1.8	Refused [VOLUNTEERED]

29. Gender [BY OBSERVATION ONLY]

47.9	Male
52.1	Female

Thank you for your participation.

2002 CYBER-STATE.ORG PUBLIC SURVEY: INTERNET SURVEY—MICHIGAN INTERNET USERS

[INSTRUCTIONS TO THE WEB PROGRAMMERS ARE IN BRACKETS, ALL CAPS]

Thank you for participating in this survey of Michigan residents and the Internet.

Public Sector Consultants (PSC)—a public policy research firm in Lansing, Michigan—is conducting a survey about how Michigan residents use information technology in their daily lives. Surveys that asked many of the same questions of Michigan residents were conducted in 1998, 1999, and 2001.

The survey is not being conducted for any candidate, political party, or business, and **your individual answers to this questionnaire are confidential**. Only anonymous and aggregate results will be released by PSC. In addition, the survey is not for any sales purpose—you will not be contacted again by PSC about this survey or your responses. Finally, if you come to any question that you don't want to answer, just go on to the next question.

If you have any questions about this survey, please contact Jeff Williams at Public Sector Consultants at *psc@pscinc.com*.

1. How many of each of the following devices are in your home? [RECORD RAW NUMBER. CODE DON'T KNOW AS 888. CODE REFUSED/OTHER AS 999.]

	0	1	2 or More
Personal computer	3.6	59.9	36.6
PalmPilot or other hand-held computer	86.3	10.0	3.6
Cellular phone	31.3	33.8	34.8
Digital camera	56.6	36.7	6.7
DVD player	45.3	41.1	13.6

2. [ASK ONLY IF Q1A > 0 AND < 888] Do you have Internet access at your home?

97.3	Yes
2.7	No

3. [ASK ONLY IF Q1A = 0] Which of the following reasons best describes why you do not have a computer at home? [ROTATE]

3.6	I have no time to use a computer at home.
14.4	I can use a computer somewhere else, such as at work, school, or at a library.
9.0	I do not want a computer at home.
60.4	A home computer is too expensive.
12.6	Don't know

4. Prior to taking this survey today, when was the last time you used the Internet?

94.2	Yesterday
4.9	Within the last week
0.6	Within the last month
0.0	Within the last six months
0.0	A year ago
0.3	More than a year ago
0.0	Don't know

5. When did you first start going on line?

1.7	Within the last six months
6.9	A year ago
24.7	Two or three years ago
66.2	More than three years ago
0.5	Don't know

6. [ASK ONLY IF Q5 = 1 OR 2] What caused you to get on line?

16.7	Friends of family told me about the Internet.
8.0	Internet use is a requirement for work or school.
1.9	I took a class at a library, community center, or school.
17.0	I wanted to use the Internet to play games or for another recreational activity.
21.6	I was curious about what the Internet was.
34.9	Other reason not listed above

7. [ASK ONLY IF Q2 = 1 "yes"] How do you access the Internet **at your home**? Do you access the Internet at home through a modem, ISDN, DSL, or cable modem connection?

62.4	Modem [CONTINUE]
1.1	ISDN line [GO TO Q9]
5.1	DSL line (includes xDSL, aDSL, sDSL) [GO TO Q9]
25.3	Cable modem connection [GO TO Q9]
1.2	Another type of high-speed connection [GO TO Q9]
4.9	Don't know [GO TO Q9]

8. [ASK ONLY IF Q7 = 1 "modem"] What is the main reason why you do not have broadband Internet service at your home? Is it because ... [ROTATE]

45.7	It is too expensive
24.8	It is not available in your area
9.9	You are satisfied with your existing Internet service
8.1	You are not sure what broadband is
6.8	Some other reason
4.7	Don't know

9. When you use the Internet at home, is it primarily to:

2.5	Complete a work or school assignment,
61.1	For recreation, or
36.4	About equal work and recreation

10. Think of the members of your family—your brothers, sisters, parents, and children. Do all, most, some, or none of the members of your family use the Internet?

41.4	All of my family uses the Internet.
29.6	Most of my family uses the Internet.
22.2	Some of my family uses the Internet.
5.8	None of my family uses the Internet.
1.0	Don't know

11. In a typical month, would **you** use the Internet to ...

	Every Day, or Almost Every Day	Every Week	Once or Twice in All	Not at All	Don't Know
a) Send or receive e-mail	92.9	5.8	1.0	0.1	0.2
b) Download or listen to music	12.0	16.4	32.0	37.7	1.9
c) Send messages using Instant Messaging	34.8	21.0	17.5	25.9	0.8
d) Access a local, state, or federal government website	3.5	17.8	61.6	13.8	3.3
e) Research a product or service you were thinking of buying	8.5	40.6	43.1	5.2	2.6
f) Display pictures of family and friends	5.6	20.9	35.9	35.1	2.5
g) Purchase a product or service	1.3	20.5	59.6	15.6	3.0

12. [ASK ONLY IF Q11G = 4 “not at all”] Have you **ever** purchased anything through the Internet?

43.8	Yes [GO TO Q14]
56.0	No [CONTINUE]
0.2	Don't know [GO TO Q14]

13. [ASK ONLY IF Q12 = 2 “no”] Which of the following statements best describes why you have not purchased anything through the Internet? [ROTATE]

0.4	I couldn't find the product I was looking for.
41.6	I was concerned about the security of my payment information.
13.5	I was concerned about privacy (for example, that someone would have a record of who I am and what I purchased).
1.5	I was unsure of how to place an order, or I tried to place an order but it never went through.
4.5	I found a lower price or better service elsewhere.
33.0	I like to see or touch an item before I buy it.
5.6	Don't know

14. Have **you** ever used the Internet to trade a stock, transfer money to or from a bank account, or pay a bill?

45.9	Yes
53.5	No
0.6	Don't know

15. The State of Michigan allows people to conduct several transactions using the state's website, *michigan.gov*. Have you ever used the state's website?

40.3	Yes [CONTINUE]
56.8	No [GO TO Q17]
2.8	Don't know [GO TO Q17]

16. [ASK ONLY IF Q15 = 1 "yes"] The State of Michigan allows people to conduct several transactions using the state's website, *michigan.gov*. Have you ever used the state's website to ...

	Yes	No
a) Gather tourism or recreation information	64.7	35.3
b) Complete research for work or school	40.5	59.5
c) Find out what services a particular agency provides	75.4	24.6
d) Gather information about a public policy issue that you are interested in	46.8	53.2
e) Reserve a campsite	10.4	89.6
f) Purchase a hunting or fishing license	6.8	93.2
g) Reserve a harbor slip for a boat	0.5	99.5

Next, I would like to ask you a series of broad questions about technology and everyday life.

17. Which of the following two statements about citizens using the Internet to communicate with government comes closest to reflecting your own view? [ROTATE]

18.9	We should proceed slowly in using the Internet for communication between citizens and their government, because too many people lack Internet access. OR
69.2	We should proceed quickly in expanding use of the Internet for communication between citizens and their government, because it offers opportunities for improved service, communication, and efficiency.
11.9	Don't know

18. How concerned are you that personal information you provide to a computer-based service will not be kept confidential? Are you very concerned, somewhat concerned, or not at all concerned?

42.3	Very concerned
51.3	Somewhat concerned
6.0	Not at all concerned
.4	Don't know

19. Government agencies keep public records like driving records, marriage records, real estate purchases, and court cases. Do you think these records should or should not be publicly available over the Internet?

31.3	Should be publicly available over the Internet
60.7	Should not be publicly available over the Internet
8.1	Don't know

Next, I would like to ask you a series of questions about how citizens may use the Internet to communicate and interact with **local** governments—cities, townships, villages, and counties.

20. On a scale from 1 to 5, where 1 is “not interested at all” and 5 is “very interested,” how interested would you be in accessing the following **local** government services or information using the Internet?

	Not Interested	2	3	4	Very Interested	Don't Know
Review city/township financial data and reports	19.4	18.9	29.3	15.6	16.5	0.2
View and request maps and documents	3.4	5.4	17.7	31.8	41.7	0.1
Read city policies and regulations	9.2	10.9	24.9	27.9	27.0	0.0
Check on construction and development (public and private), including permit and inspection status	13.0	14.2	26.6	23.8	22.3	0.2
Receive free notice of public meetings, events, and hearings via e-mail	11.0	13.0	25.4	26.2	24.3	0.1
Access property tax data and assessments	11.8	13.1	23.5	26.0	25.2	0.5
Pay a local fee or fine	20.1	13.9	23.0	23.4	19.3	0.3
E-mail city officials	8.6	9.9	21.9	26.6	32.9	0.1
File complaints (potholes, burned-out street or traffic lights, etc.)	3.3	3.5	13.5	27.0	52.6	0.1
Apply for permits and licenses	8.3	7.3	20.3	28.1	35.9	0.1
Request inspections	12.2	11.2	25.8	25.5	24.9	0.3
Sign up for recreation classes	11.9	11.6	26.5	25.9	24.0	0.1
Look up information on schools	9.5	7.8	20.8	24.3	37.3	0.3
Look up crime information for your neighborhood or the city	4.4	5.1	16.2	28.0	45.9	0.4

21. On a scale of 1 to 10, where 1 is a “very low priority” and 10 is a “very high priority,” what priority would you like your local government to assign to increasing the amount of information and services available over the Internet? [RECORD ANSWER. CODE DON'T KNOW = 20. CODE REFUSED/OTHER = 30.]

Low Priority (1-3)	Priority (4-5)	Priority (6-7)	High Priority (8-10)	Other
4%	14.3%	26%	55.6%	0.1%

22. Which of the following items do you believe is the greatest **benefit** of citizen access to government through the Internet? [ROTATE 1–4]

17.9	Government is more accountable to citizens.
38.8	The public has greater access to information.
7.7	Government is more efficient and cost effective.
27.7	The public has more convenient access to government services.
7.9	Don't know

23. Which of these is the greatest **drawback** of citizen access to the government through the Internet? [ROTATE 1–4]

17.6	Information is not easily available to people without Internet access.
33.7	It will become even harder to find a real person who can answer a question.
28.0	Government will not adequately protect individual privacy.
10.6	Costs of putting information on line will draw resources away from other important projects.
10.2	Don't know

24. This November, Michigan voters will elect a new governor. If you had the choice **this November** of voting in a booth at a polling place on Election Day, voting over the Internet during the weeks leading up to Election Day, or voting by mail during the weeks leading up to Election Day, which would you prefer?

25.7	Vote in a booth on Election Day
63.7	Vote on line over the Internet during the previous weeks
7.5	Vote by mail during the previous weeks
3.1	Don't know

25. Do you currently have children of school age (K–12) or younger?

36.2	Yes
63.7	No
.1	Don't know

26. In what year were you born? [FREE RESPONSE, RECORD AS FOUR-DIGIT YEAR, CODE REFUSED/OTHER AS 9999]

<25	25–34	35–44	45–54	55–64	65–74	75+
5.4%	14.9%	22.0%	33.2%	17.3%	6.5%	0.6%

27. What is the highest level of education you have completed?

3.1	Less than high school
22.5	High school graduate
46.6	Some college or technical degree
18.3	College graduate
8.6	Postgraduate study or degree
0.9	I prefer not to answer

28. Which of the following income groups includes your total family income last year?

20.0	Less than \$25,000
32.8	\$25,000 to \$49,999
21.9	\$50,000 to \$74,999
12.1	\$75,000 and over
13.2	I prefer not to answer

29. Would you mind telling me if you are African-American, Arab-American, Asian-American, Hispanic, Native American, white, or some other ethnic group?

3.9	African-American
0.2	Arab-American
0.7	Asian-American
0.6	Hispanic
1.4	Native American
88.1	White
1.7	Another group
3.4	I prefer not to answer

30. In what type of community do you live—large city, suburban area, small city or town, village, or rural area?

11.0	Large city
31.6	Suburban area
31.5	Small city or town
6.1	Village
19.2	Rural area
0.7	Don't know

31. In what county do you live? [RECORD BY FIPS CODE. IF WAYNE COUNTY, ASK, “Do you live in the City of Detroit?” IF YES, CODE 55555. IF NO, CODE WITH WAYNE COUNTY FIPS.]

City of Detroit	Metro Detroit	Southern	Western	Central	Thumb	Northern Lower	Upper Peninsula
3.8%	27.5%	8.8%	20.8%	10.8%	13.7%	11.9%	2.6%

32. Does your county government have a website?

31.9	Yes
2.9	No
65.3	Don't know

33. [ASK ONLY IF THE RESPONDENT’S COUNTY IS ON LINE; SEE ATTACHED CODE SHEET FOR ONLINE COUNTIES. IF BOTH CONDITIONS ARE NOT MET, THEN GO TO Q35.] Have you ever accessed your county’s website?

34.5	Yes [CONTINUE]
61.1	No [GO TO Q35]
4.4	Don’t know [GO TO Q35]

34. [ASK ONLY IF Q33 = 1 “yes”] How do you rate the quality of your county’s website—excellent, good, fair, or poor?

4.4	Excellent
42.3	Good
42.3	Fair
6.2	Poor
4.8	Don’t know

35. What is your ZIP Code? [RECORD 5 DIGIT ZIP CODE. IF REFUSED/OTHER CODE AS 99999]

See Question 31 Above.

36. Are you currently married?

59.2	Yes
38.8	No
2.1	I prefer not to answer

37. Gender

51.5	Male
48.5	Female

Thank you for your participation.

2002 CYBER-STATE.ORG BUSINESS SURVEY: INTERNET SURVEY

[INSTRUCTIONS TO THE WEB PROGRAMMERS ARE IN BRACKETS, ALL CAPS]

Thank you for participating in this survey of Michigan businesses and the Internet.

Public Sector Consultants (PSC)—a public policy research firm in Lansing, Michigan—is conducting a survey about how Michigan businesses interact with state and local governments using the Internet, and how businesses may wish to interact with government in the future. A survey that asked many of the same questions of 1,000 Michigan residents was conducted earlier this month. These surveys continue Cyberstate’s previous three surveys in 1998, 1999, and 2001 on similar topics.

The survey is not being conducted for any candidate, political party, or business, and **your individual answers to this questionnaire are confidential**. Only anonymous and aggregate results will be released by PSC. In addition, the survey is not for any sales purpose—you will not be contacted again by PSC about this survey or your responses. Finally, if you come to any question that you don’t want to answer, just go on to the next question.

If you have any questions about this survey, please contact Jeff Williams at Public Sector Consultants at *psc@pscinc.com*.

What is your title at your organization?

Manager, director, executive director, CEO, controller,
 comptroller, CFO, treasurer, administrator, coordinator,
 supervisor, president, or vice president Continue
 None of the above..... Go to the public Internet survey [SEPARATE DOCUMENT]

1. How many people in your business have a computer at their work area?

6.6	None
18.6	Less than half
8.5	About half
15.1	More than half
49.0	All
2.1	Don't know

2. How many people in your business can access the Internet from their office computer?

10.7	None
20.0	Less than half
7.7	About half
11.3	More than half
46.1	All
4.3	Don't know

3. Have **you** ever used the Internet from a computer owned by the business?

84.2	Yes [GO TO Q5]
15.8	No [CONTINUE]

4. [ASK ONLY IF Q3 = 2, "No"] Which of the following statements best describes why you have not used the Internet from a computer owned by the business?

59.5	No access to the Internet and/or not necessary for my work
0.0	Too complicated/don't understand
4.1	Don't have time
0.0	Not worth hassle or expense
21.6	Access is not allowed (against company policy)
12.2	Some other reason
2.7	Don't know

5. [ASK ONLY IF Q3 = 1 "Yes"] When did you first start going online?

2.8	Within the last six months
4.1	A year ago
12.9	Two or three years ago
79.7	More than three years ago
0.5	Don't know

6. How does your company access the Internet at your location? Is the Internet access provided through a modem, ISDN, DSL, cable modem, or some other high-speed connection?

29.2	Modem
3.2	ISDN line
12.4	DSL line (includes xDSL, aDSL, sDSL)
12.8	Cable modem connection
22.0	Other high-speed connection (56k, fractional T-1, T-1, T-3, etc.)
20.5	Don't know

7. In a typical month, would **you** use the Internet **for your business** to ...

	Every Day or Almost Every Day	Every Week	Once or Twice in All	Not at All	Don't Know
a) Transact business with a supplier or vendor	29.2	18.8	20.5	26.4	5.1
b) Send or receive e-mail	75.1	6.8	5.3	10.9	1.9
c) Communicate with someone else using Instant Messaging	25.6	11.1	11.3	48.4	3.6
d) Research a product or service your company was thinking of buying	17.1	30.9	28.8	19.6	3.6
e) Access a government website—federal, state, or local	10.4	24.7	37.1	24.1	3.6
f) Purchase a product or service for your business	6.8	23.2	34.3	31.1	4.5

8. [ASK ONLY IF Q7F = 4 “not at all”] Have **you** **ever** purchased anything through the Internet for your business?

8.9	Yes
91.1	No

9. [ASK ONLY IF Q8 = 2 “no”] Has **someone else** at your company **ever** purchased anything through the Internet for the business?

39.1	Yes
23.3	No
37.6	Don't know

10. Which of the following two statements about government use of the Internet comes closest to reflecting your own view? [ROTATE]

17.1	We should proceed slowly in relying on the Internet for communication between businesses and government, because too many businesses lack Internet access. OR
69.1	We should proceed quickly in expanding use of the Internet for communication between businesses and government, because it offers opportunities for improved service, communication, and efficiency.
13.9	Don't know

11. In general, do you get more work done these days because of the Internet, do you get less work done these days because of the Internet, or do you get about the same amount done as ever, regardless of the Internet?

52.9	I get more work done.
5.8	I get less work done.
38.4	I get about the same amount done as ever.
3.0	Don't know

12. [ASK ONLY IF Q7E=1, 2, OR 3] How would you rate the overall quality of the government websites that you have used?

6.2	Excellent
48.7	Very good
41.0	Fair
2.1	Poor
2.1	Don't know

13. On a scale from 1 to 5, where 1 is “very interested” and 5 is “not interested at all,” how interested would you be in accessing the following **local** government services or information using the Internet?

	Very Interested	2	3	4	Not Interested at All
a) Review city/township financial data and reports	16.0	15.8	29.2	17.1	22.0
b) Read city policies and regulations	25.4	24.5	26.2	13.2	10.7
c) Check on construction and development (public and private), including permit and inspection status	22.0	22.6	25.6	14.9	14.9
d) Receive notice of public meetings, events, and hearings via e-mail	23.9	25.6	26.4	13.0	11.1
e) File complaints (potholes, burned-out street or traffic lights, etc.)	49.0	23.5	16.0	6.6	4.9
f) Apply for permits and licenses	46.1	23.2	15.6	7.9	7.2
g) Request inspections	29.6	23.2	23.5	10.7	13.0
h) File police reports	33.5	23.5	22.8	10.7	9.6
i) Access property tax data and assessments	38.6	27.7	18.6	6.8	8.3
j) Pay a local fee or fine	34.3	23.0	21.7	8.1	12.8

14. On a scale of 1 to 10, where 1 is a “very low priority” and 10 is a “very high priority,” what priority would you like your local government to assign to increasing the amount of information and services that it makes available over the Internet?

1-3	4-5	6-7	8-10
5.7	14.8	25.0	54.7

15. Which of the following items do you believe is the greatest **benefit** of business access to government through the Internet? [ROTATE 1-4]

9.2	Government is more accountable to local businesses.
33.3	Businesses have better access to information.
14.7	Government is more efficient and cost effective.
31.1	Businesses have more convenient access to government services.
11.7	Don't know

16. Which of these is the greatest **drawback** of business access to the government through the Internet? [ROTATE 1-4]

12.6	Information is not easily available to businesses without Internet access.
47.1	It will become even harder to find a real person who can answer a question.
15.6	Government will not adequately protect business/individual privacy.
9.4	Costs of putting information on line will draw resources away from other important projects.
15.4	Don't know

17. If government were to consider making some services available electronically—using e-mail, a website, or any other electronic method—how much benefit would each of the following services have for your business? (1 = No benefit, 5 = A great benefit)

	No Benefit	2	3	4	A Great Benefit
a) The ability to input information required by a department of your local government (e.g., input details as you apply for a permit)	6.1	6.9	33.9	29.8	23.3
b) View the information about your business held by your local unit of government	7.3	7.8	32.2	29.8	22.9
c) Research information about new or revised government services	9.9	6.1	31.8	34.3	22.9
d) Research opportunities for government service contracts	9.8	8.2	30.6	26.1	25.3
e) Send completed forms and surveys to your local government	5.7	5.3	22.4	30.2	36.3

18. How many employees does your business have **at your location**?

28.8	1–4 employees
23.9	5–19 employees
10.9	20–49 employees
8.1	50–99 employees
15.8	100–499 employees
11.1	500 or more employees
1.5	Don't know

19. How many employees does your business have **at all locations**?

24.1	1–4 employees
16.4	5–19 employees
8.7	20–49 employees
4.7	50–99 employees
10.9	100–499 employees
30.3	500 or more employees
4.9	Don't know

20. When was your company founded? [FREE RESPONSE, RECORD AS FOUR-DIGIT YEAR, CODE REFUSED/OTHER AS 9999]

Before 1950	1950–1969	1970–1989	1990–Present
26.3	15.1	23.0	34.3

21. In what county is your business located? (If your business is located in more than one county, please enter the county where you perform most of your work.) [RECORD BY FIPS CODE. IF WAYNE COUNTY, ASK, “Is this business located within the City of Detroit?” IF YES, CODE 55555. IF NO, CODE WITH WAYNE COUNTY FIPS.]

8.0	City of Detroit
30.8	Metro Detroit
10.5	Southern
18.9	Western
10.1	Central
10.3	Thumb
9.0	Northern Lower Peninsula
2.4	Upper Peninsula

22. Does your **county** have a website?

47.5	Yes
4.1	No
48.4	Don't know

23. Does your **business** have a website?

63.8	Yes
33.3	No
3.0	Don't know

Thank you for your participation.

Appendix B
*Accessing Local Government Services or Information,
by Demographic Variables*

**Exhibit B-1: Percentage of Internet Respondents Answering “4” or “5” for Each Service/Activity
(on a 5-point scale where 1 = not interested and 5 = very interested)**

	Review City/ Township Financial Data and Reports	Access/Pay a Local Fee or Fine	Check on Construction and Development	Request Inspections	Access Property Tax Data and Assessments	Receive Free Notice by E-mail of Public Meetings, Events, and Hearings	Sign Up for Recreation Classes	Read City Policies and Regulations	E-Mail City Officials	Apply for Permits and License	Look Up Information on Schools	View and Request Maps and Documents	Access Crime Information for Your Neighborhood or the City Local Government Services or Information	File Complaints
REGION														
Metro Detroit	28.5%	47.4%	42.3%	49.8%	49.8%	47.4%	58.8%	53.3%	60.5%	69.4%	67.4%	77.0%	77.7%	82.8%
Southern	36.3%	51.3%	52.5%	57.5%	52.5%	57.5%	61.3%	63.8%	62.5%	67.5%	73.8%	81.3%	83.8%	82.5%
Western	27.1%	43.0%	47.3%	52.2%	48.8%	51.7%	56.5%	57.0%	59.9%	62.8%	70.0%	72.9%	78.7%	81.2%
Central	25.5%	38.8%	48.0%	40.8%	41.8%	53.1%	56.1%	55.1%	46.9%	60.2%	64.3%	76.5%	74.5%	68.4%
Thumb	32.5%	43.7%	45.2%	43.7%	48.4%	51.6%	50.0%	50.0%	54.0%	61.1%	60.3%	65.1%	73.8%	77.0%
Northern Lower	35.0%	31.7%	41.7%	50.8%	54.2%	44.2%	43.3%	57.5%	53.3%	67.5%	65.0%	78.3%	75.8%	80.0%
Upper Peninsula	20.7%	31.0%	37.9%	34.5%	55.2%	65.5%	34.5%	65.5%	55.2%	55.2%	62.1%	72.4%	89.7%	62.1%
AGE														
<25	25.4%	53.5%	47.9%	35.2%	36.6%	36.6%	57.7%	50.7%	57.7%	59.2%	70.4%	66.2%	71.8%	77.5%
25–34	23.1%	57.5%	45.0%	50.6%	46.9%	48.1%	65.6%	58.1%	56.3%	69.4%	81.3%	75.0%	88.8%	81.3%
35–44	32.3%	45.7%	45.7%	52.2%	47.8%	51.7%	57.8%	56.0%	55.2%	66.8%	78.0%	75.4%	79.7%	78.4%
45–54	28.7%	36.6%	43.6%	51.8%	51.5%	50.5%	52.1%	56.4%	60.4%	66.0%	60.4%	79.2%	75.9%	82.8%
55–64	35.1%	38.1%	46.3%	46.3%	60.4%	52.2%	42.5%	54.5%	56.0%	61.9%	50.0%	73.1%	73.1%	72.4%
65–74	34.1%	18.2%	43.2%	38.6%	43.2%	65.9%	43.2%	52.3%	56.8%	54.5%	45.5%	61.4%	63.6%	77.3%
75+	50.0%	0.0%	0.0%	0.0%	50.0%	50.0%	50.0%	0.0%	0.0%	50.0%	50.0%	50.0%	50.0%	50.0%
INCOME														
Less than \$25,000	30.1%	41.2%	42.1%	47.7%	45.8%	47.7%	46.3%	56.0%	55.1%	62.0%	61.1%	72.7%	78.7%	76.9%
\$25,000 to \$49,999	30.2%	43.6%	43.9%	48.2%	49.2%	51.1%	59.7%	56.1%	58.0%	63.9%	74.1%	79.0%	80.7%	78.4%
\$50,000 to \$74,999	28.1%	46.4%	48.0%	52.0%	55.6%	50.5%	57.1%	56.6%	57.7%	66.3%	70.9%	76.5%	74.5%	82.1%
\$75,000 and over	38.5%	49.0%	54.8%	51.0%	51.9%	59.6%	59.6%	59.6%	63.5%	71.2%	61.5%	72.1%	79.8%	80.8%
I prefer not to answer	23.1%	33.8%	40.0%	46.2%	45.4%	46.2%	46.9%	49.2%	53.1%	66.2%	56.9%	68.5%	72.3%	79.2%
EDUCATION														
Less than high school	24.2%	18.2%	30.3%	36.4%	33.3%	42.4%	36.4%	48.5%	42.4%	51.5%	51.5%	48.5%	72.7%	66.7%
High school graduate	26.9%	32.6%	39.4%	40.5%	44.3%	40.9%	41.7%	50.0%	44.7%	58.0%	62.9%	72.0%	76.9%	72.3%
Some college or technical degree	32.7%	50.0%	48.4%	54.4%	54.4%	56.2%	62.2%	60.0%	64.2%	70.7%	71.6%	78.2%	81.8%	82.9%
College graduate	27.7%	43.3%	48.9%	50.4%	52.5%	54.6%	56.0%	57.4%	64.5%	66.0%	65.2%	78.0%	75.2%	84.4%
Postgraduate study or degree	27.3%	47.3%	41.8%	47.3%	38.2%	45.5%	54.5%	43.6%	56.4%	61.8%	56.4%	69.1%	58.2%	74.5%
I prefer not to answer	25.0%	50.0%	50.0%	50.0%	37.5%	37.5%	75.0%	75.0%	12.5%	50.0%	87.5%	75.0%	75.0%	87.5%

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