KANTAR

INTERNET IN INDIA 2023

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Internet And Mobile Association Of India
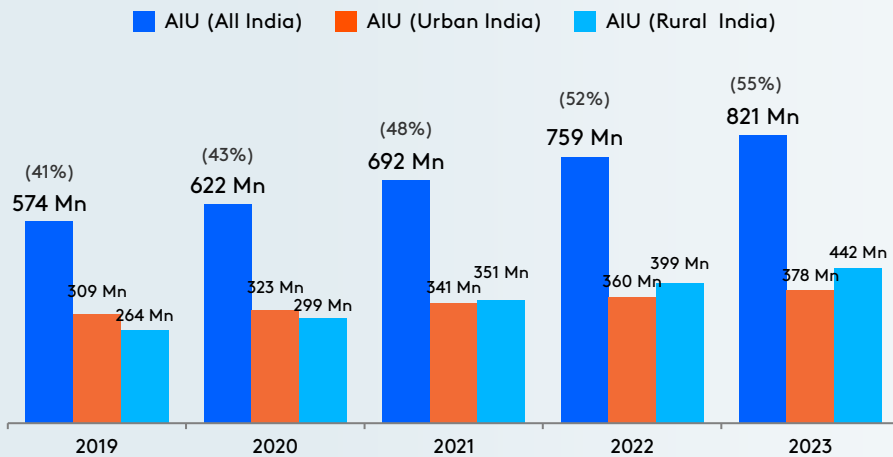
Internet Users in India: Setting the Context

Legend: ■ AIU (All India)　■ AIU (Urban India)　■ AIU (Rural India)

Year	AIU (All India)	AIU (Urban India)	AIU (Rural India)
2019	574 Mn (41%)	309 Mn	264 Mn
2020	622 Mn (43%)	323 Mn	299 Mn
2021	692 Mn (48%)	341 Mn	351 Mn
2022	759 Mn (52%)	360 Mn	399 Mn
2023	821 Mn (55%)	378 Mn	442 Mn

Internet users in India has crossed the **800 Million** mark, **Rural India has more internet users than Urban.**

Base: ICUBE 2023 All India Population, 1485 Million

90% of the Internet Users are using **internet daily.** On an average, users spend around **1.5 hours on internet.**

All India
98 Mins
93%

Urban
101 Mins
94%
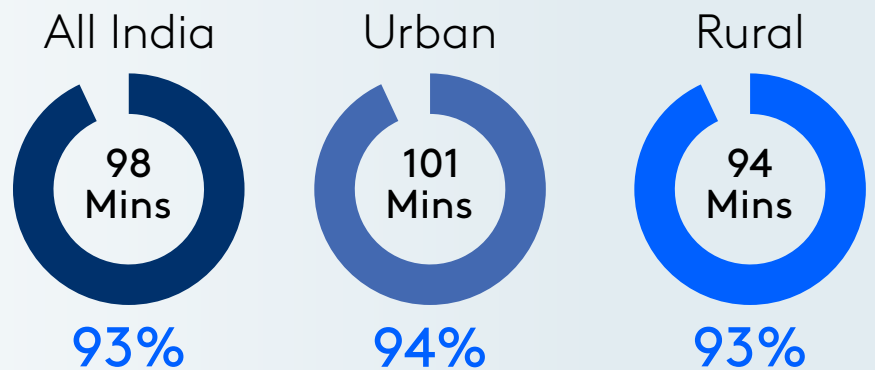
Rural
94 Mins
93%

Proportion of Daily Internet Users within Pie
Average Duration Accessing Internet (in Mins)

Base: ICUBE 2023, Active Internet Users, 821 Million, Urban India 378 Million, Rural India 442 Million

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14%
9%
23%
54%

■ Top 9　■ Small Metros
■ <10L Towns　■ Rural

54%　46%

■ Male　■ Female
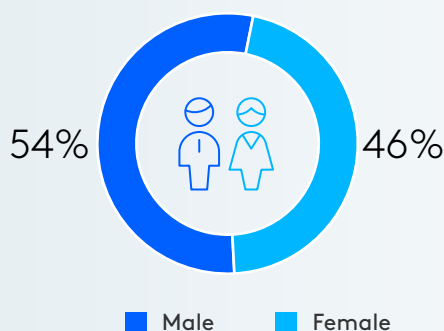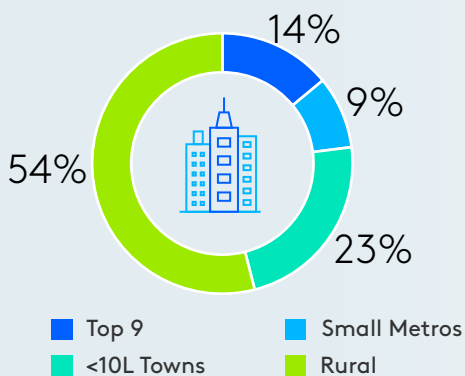
More than **half of internet users live in Rural India.**

Gender divide **has narrowed over the years.**

Base: ICUBE 2023, Active Internet Users, 821 Million

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How does the internet penetration vary across States?

Bottom 3 States

Uttar Pradesh
41%
8% ⬆

Jharkhand
46%
12% ⬆

Bihar
37%
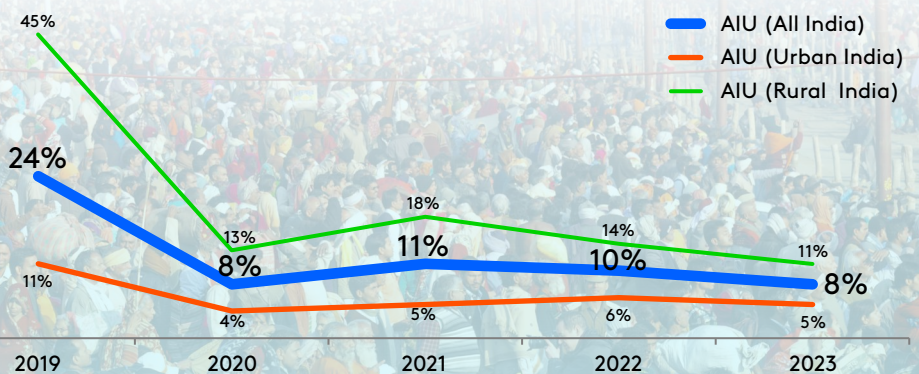17% ⬆

Top 3 States

Goa
73%

Maharashtra
69%

Kerala
69%

⬆ Green Arrow represents internet user growth year-on-year

Base: ICUBE 2023, Active Internet Users, 821 Million
*North-East Includes : Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura

Growth rates in internet growth has decelerated.

— AIU (All India)
— AIU (Urban India)
— AIU (Rural India)

Year	2019	2020	2021	2022	2023
AIU (Rural India)	45%	13%	18%	14%	11%
AIU (All India)	24%	8%	11%	10%	8%
AIU (Urban India)	11%	4%	5%	6%	5%

Base: ICUBE 2023 All India Population, 1485 Million

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Top Activities Done on Internet

While **Net Commerce, Digital Payment and Online Learning** are more Urban centric activities, other activities like **OTT, Communication, Social Media and Online Gaming** are more democratized.

Activities Done on Internet:
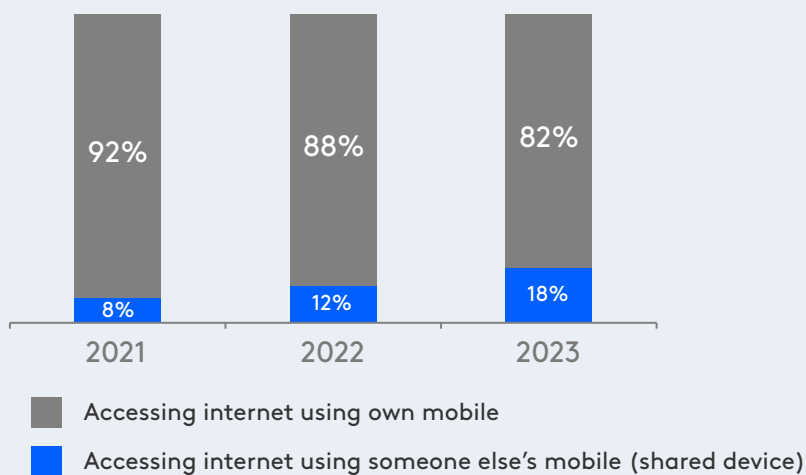Activity wise Incidences in Parenthesis; Town Class Profile in Chart

	OTT (Audio + Video)	Communication	Social Media	Online Gaming	Net Commerce	Digital Payment	Online Learning
Incidence	86%	76%	70%	53%	52%	45%	3%
Rural	53%	51%	52%	56%	38%	38%	20%
Less than 10L Towns	23%	24%	23%	20%	29%	28%	30%
Small Metro	9%	9%	9%	8%	11%	11%	10%
Top 9	15%	16%	16%	16%	22%	24%	40%
Total	707 Mn	621 Mn	575 Mn	438 Mn	427 Mn	370 Mn	24 Mn

Legend: ■ Top 9 ■ Small Metro ■ Less than 10L Towns ■ Rural

Base: ICUBE 2023, Active Internet Users, 821 Million

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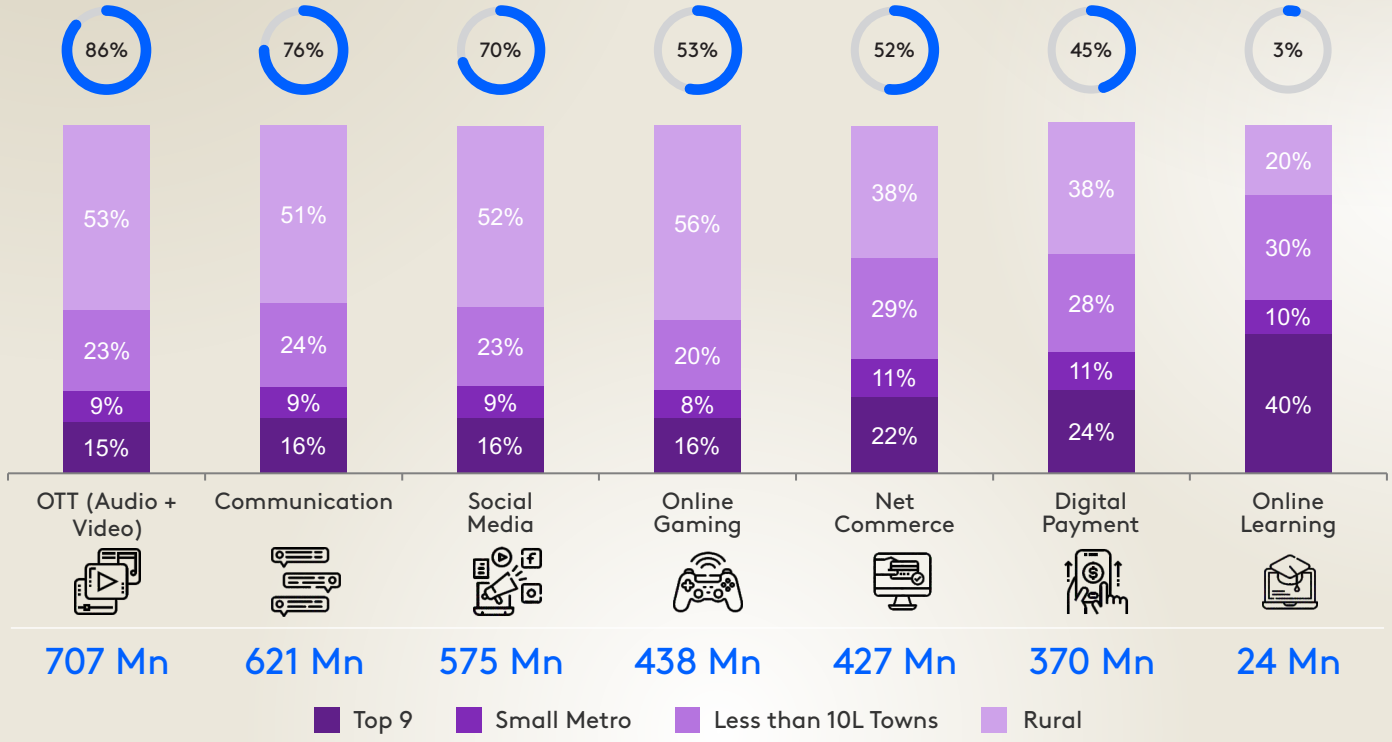
Proportion of internet users accessing internet via someone else's mobile is increasing

All India

Bar chart showing:
- 2021: 92% / 8%
- 2022: 88% / 12%
- 2023: 82% / 18%

■ Accessing internet using own mobile
■ Accessing internet using someone else's mobile (shared device)

Who are these shared device users?

- **63%** Rural
- **77%** Female
- **43%** 35+ Years
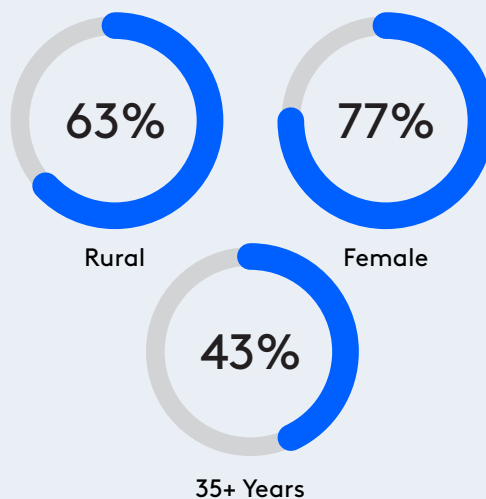
Shared Device usage for internet access is higher in Rural than Urban; **Rural has witnessed a growth of 78% in last one year.**


Bar chart showing:
- 2021: Urban 95% / 5%, Rural 89% / 11%
- 2022: Urban 90% / 10%, Rural 87% / 13%
- 2023: Urban 86% / 14%, Rural 79% / 21%

■ URBAN ■ Accessing internet using own mobile
■ RURAL ■ Accessing internet using someone else's mobile (shared device)

Source : ICUBE All India 2023

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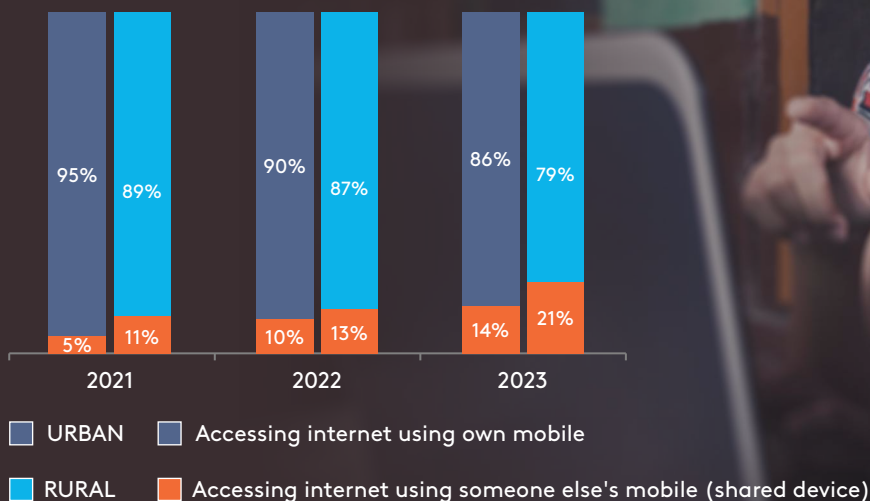
Key Trends in Internet Usage Behavior

Diversified usage of internet is leading to new modes of engagement among users across devices. The number of users watching video content only over internet i.e., the cord cutters are more than the users watching content only on linear television.

Mode of Watching Video Content

Linear TV
17%
181 Mn

Concurrent Users
64%
678 Mn

Cord Cutters
20%
208 Mn
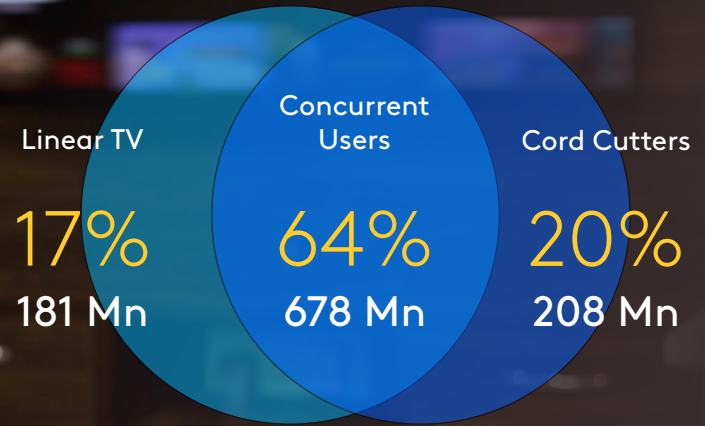
Linear TV: Individuals who have watched video content on Linear or Traditional TV in L1Y.
Internet Only: Individuals who have watched video content through Mobile or Connected TV but not Linear TV in the L1Y. These are the Cord Cutters.
Concurrent Users: Individuals who have watched video content across multiple modes (Linear TV or Mobile or Connected TV in L1Y).

The use of other Non-Traditional Devices* to access internet has also witnessed major growth

*Non-Traditional Devices include Smart TV, Smart Speakers, Firesticks, Chromecasts, Blue-ray and Gaming Consoles

ALL INDIA 11% ⬆ 58%

URBAN 16% ⬆ 54%

RURAL 6% ⬆ 68%
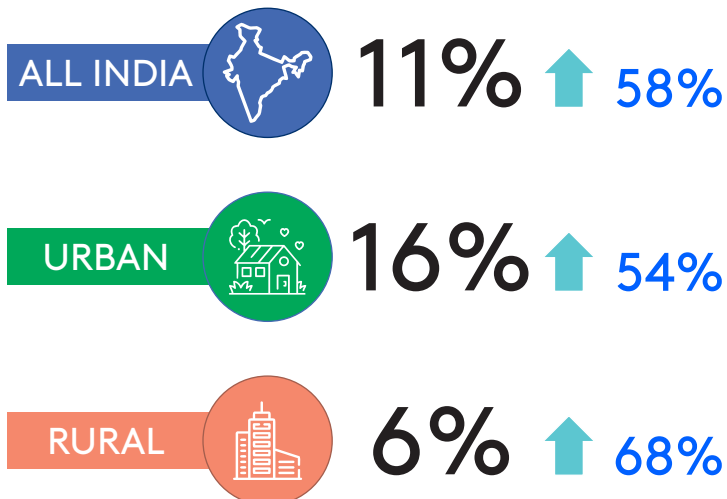
While all internet users across Urban or Rural India use mobile to access internet, the adoption of non traditional devices has been high in the last 2 years, specially in Urban India
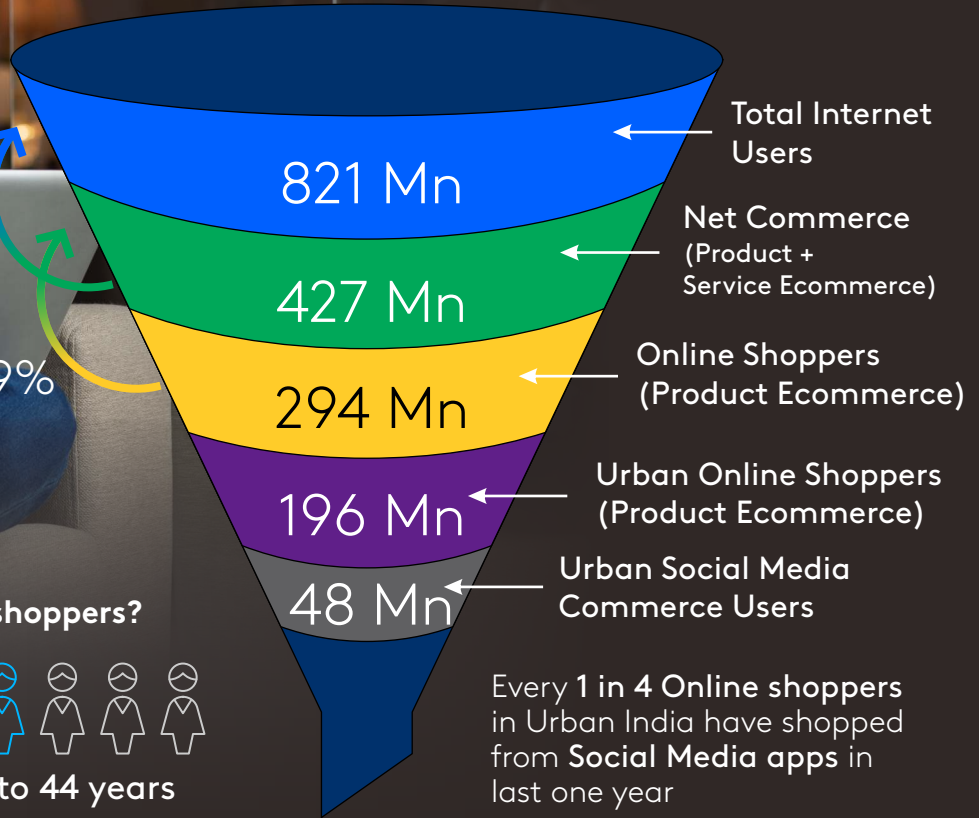
⬆ Indicates Non Traditional Device User Growth in 2023 vs 2021 (last 2 years).

Source : ICUBE All India 2023

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How are customers engaging with Ecommerce?

Understanding the Ecommerce User Funnel:

52%

69%

821 Mn	Total Internet Users
427 Mn	Net Commerce (Product + Service Ecommerce)
294 Mn	Online Shoppers (Product Ecommerce)
196 Mn	Urban Online Shoppers (Product Ecommerce)
48 Mn	Urban Social Media Commerce Users

Every **1 in 4 Online shoppers** in Urban India have shopped from **Social Media apps** in last one year

Who are these Social Media shoppers?

Top 9 cities   NCCS A   25 to 44 years

Among All India Online Shoppers, **26% only avail Cash on Delivery (COD)** for payment. Rest of the Online shoppers use various Digital Payment modes while ordering online. **71%** of such **digital payment users** live in **Urban India** and **50%** of them belong to **NCCS A**.
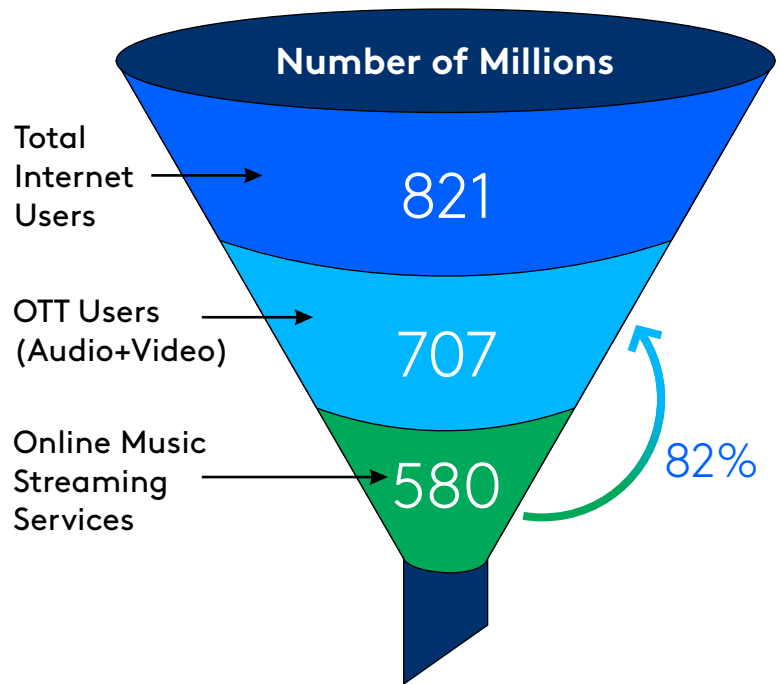
Who are the only COD users?

52%
Female

51%
<19 years

45%
Rural

43%
NCCS CDE

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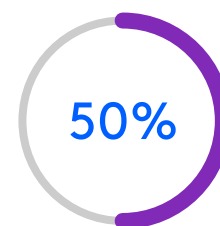Internet And Mobile Association Of India
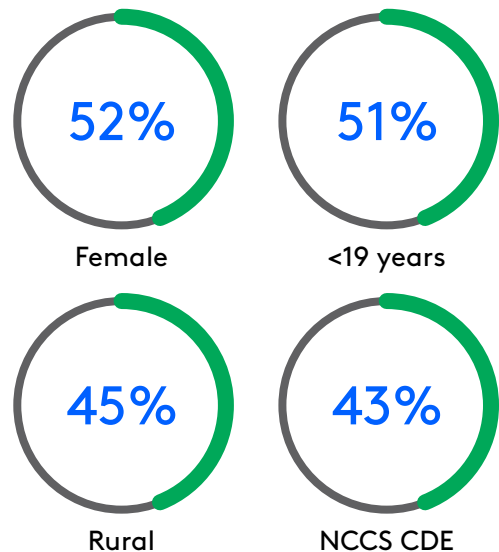
What are the other emerging trends in digital ecosystem?

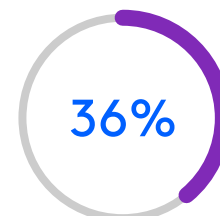## Use of Music Streaming Services gaining popularity

More than **80%** of overall OTT users have used music streaming apps in last 1 year. **Music Streaming users are fast catching with the Video OTT users with 8% growth in the user size of Online Music Streaming Services.**

Number of Millions

Total Internet Users → 821

OTT Users (Audio+Video) → 707

Online Music Streaming Services → 580

82%

Who are these users?

50%
10L+ Towns

36%
25-34 years
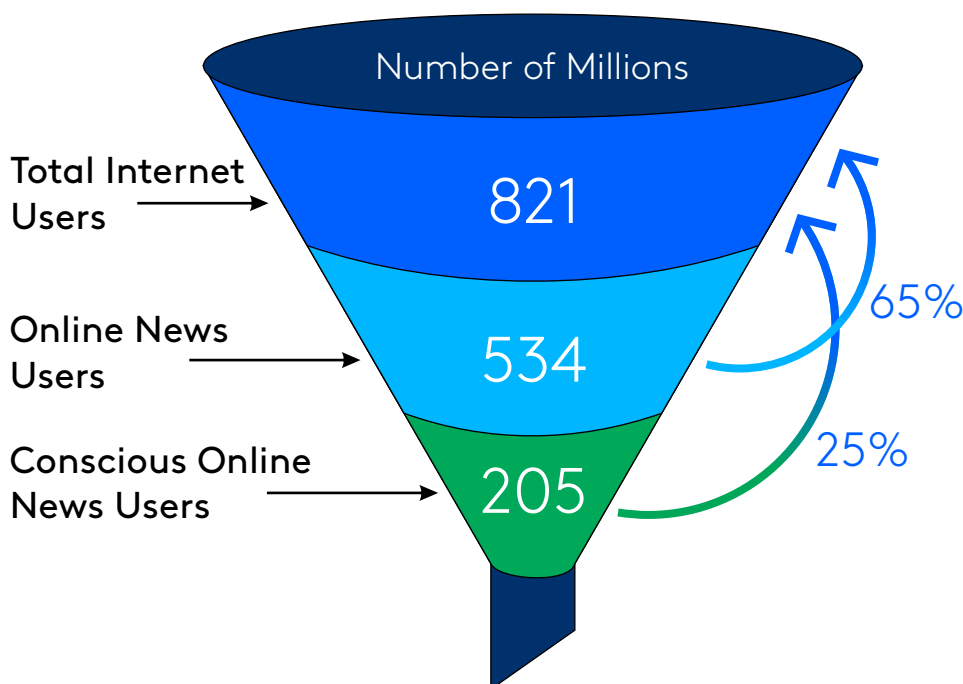
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Digital is the main source of news and information

65% of internet users access **news and information online** through various news apps/websites, social media posts, message forwards, Youtube etc.

Number of Millions

Total Internet Users → 821

Online News Users → 534

Conscious Online News Users → 205

65%

25%

Online News Users
Total number of Internet Users who are accessing news online through various news apps/websites, social media posts, message forwards, Youtube etc., either consciously or unconsciously (while browsing internet)

Conscious Online News Users
These are the pull users who are consciously accessing news online through various sources like news apps/websites, Youtube, etc.
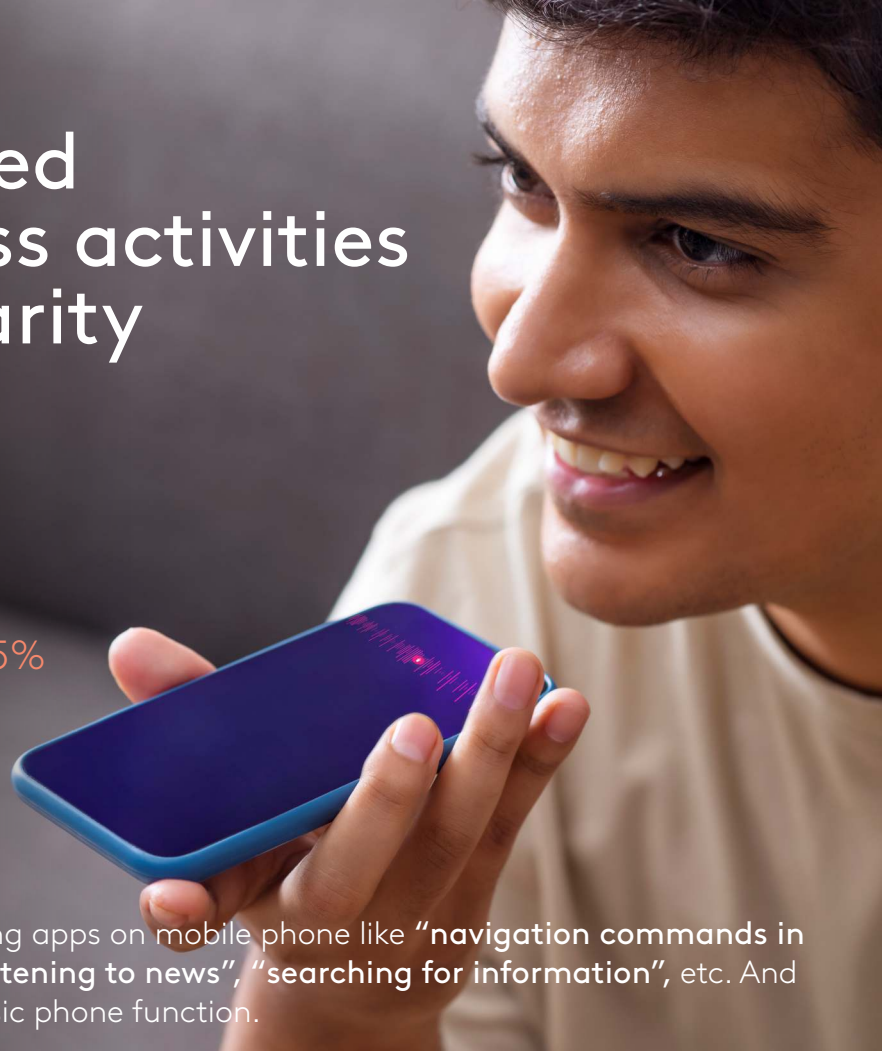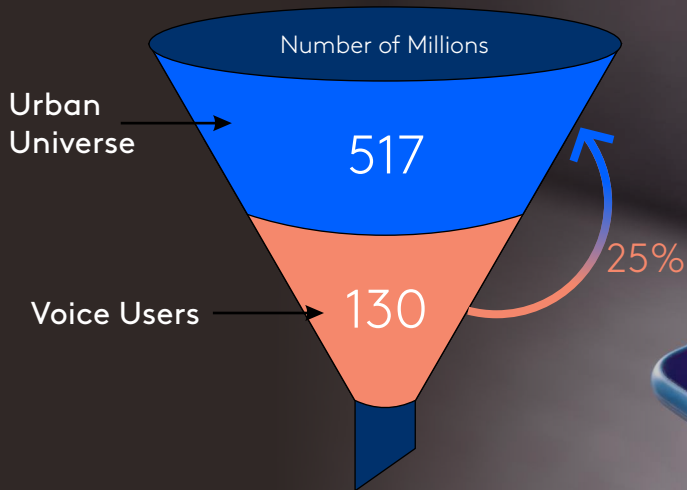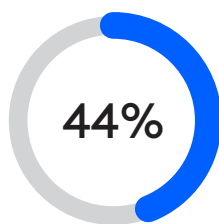
Conscious Online News Users

43%
< 24 years

39%
25-44 years

18%
44+ years

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Use of voice-based commands across activities is gaining popularity

Number of Millions

Urban Universe → **517**
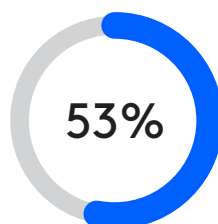
25%

Voice Users → **130**

Voice based activities can be used while using apps on mobile phone like **"navigation commands in google maps"**, **"making shopping list"**, **"listening to news"**, **"searching for information"**, etc. And doesn't include speaking to others using basic phone function.
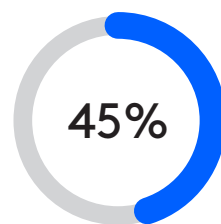
Who are these users?

44%
NCCS A

53%
Less than 10L Towns

45%
15-24 years

Activity	%
Listening to Music	71%
Watching Videos/Movies/Web Series	49%
Listening to News	39%
Online/Informationtion Search	37%
Call Someone	23%
Navigation Applications	20%
Making Shopping List/Ordering Products Online	15%
Manage Security Systems and Camera	7%
Control other Smart Home Gadgets	6%
Set Up Routines, Reminders, Alarms, etc.	3%
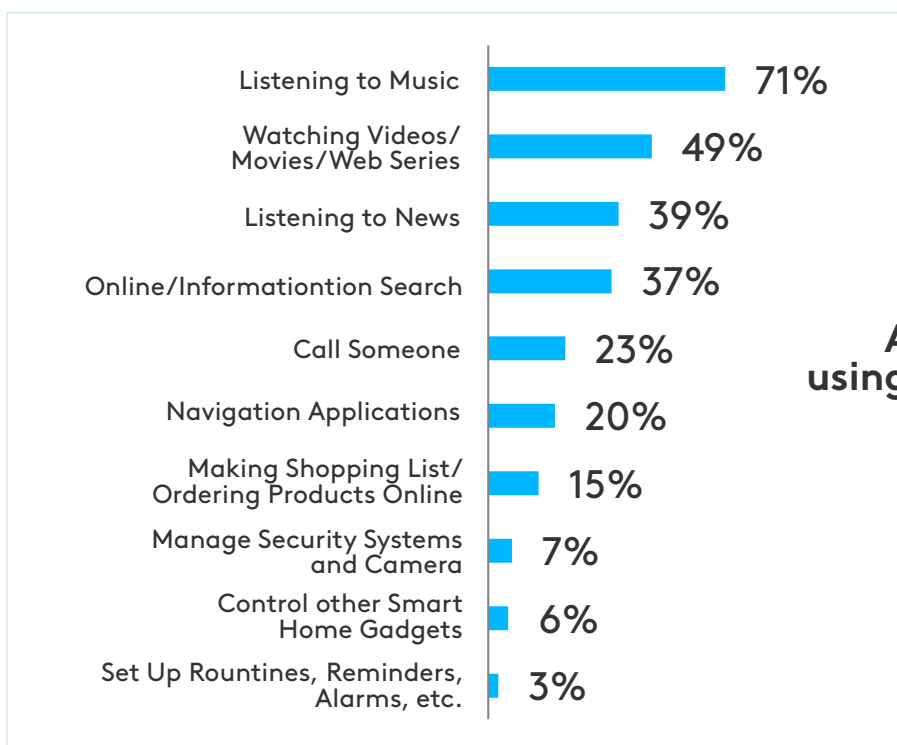
Activities Done using Voice Commands

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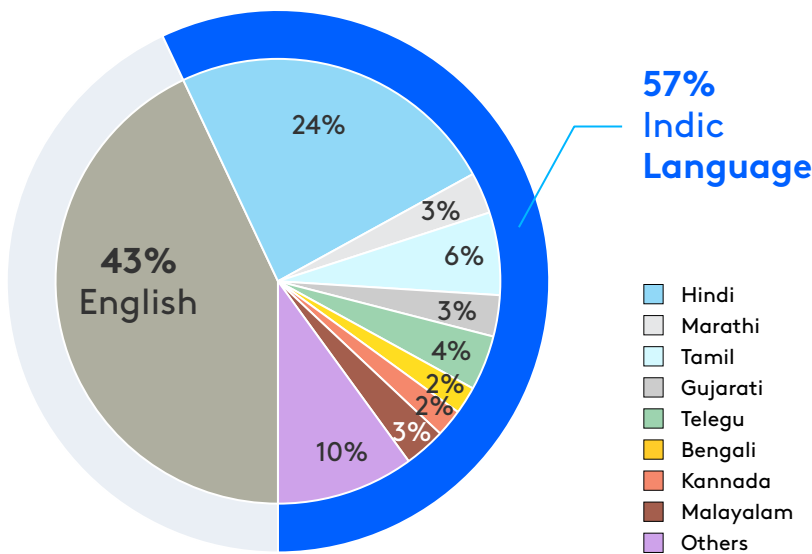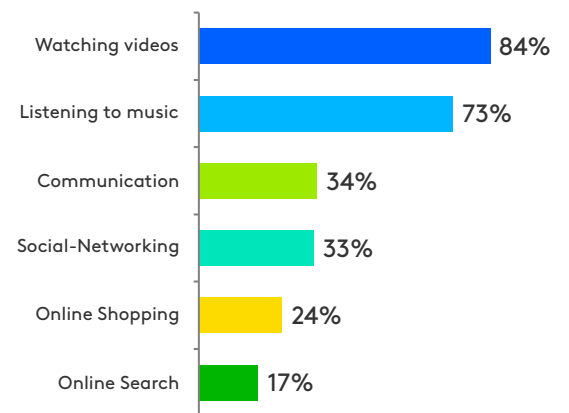Internet And Mobile Association Of India

Use of internet in Indic languages becoming prevalent across online activities

57% of internet users prefer to access internet content in Indic languages in Urban India.

## Indic vs English Language Preference to access internet in Urban

43% English

24% — Hindi
3% — Marathi
6% — Tamil
3% — Gujarati
4% — Telegu
2% — Bengali
2% — Kannada
3% — Malayalam
10% — Others

57% Indic Language

Legend:
- Hindi
- Marathi
- Tamil
- Gujarati
- Telegu
- Bengali
- Kannada
- Malayalam
- Others

Top Activities done on internet using Indic Language in Urban

Activity	%
Watching videos	84%
Listening to music	73%
Communication	34%
Social-Networking	33%
Online Shopping	24%
Online Search	17%

Predominant Indic Languages for accessing internet in Urban (based on Conversion Ratio*)

*Conversion Ratio for each language: Number of internet users who predominantly use the Indic language to access internet. Number of overall internet users who have used the Indic language in last one year.
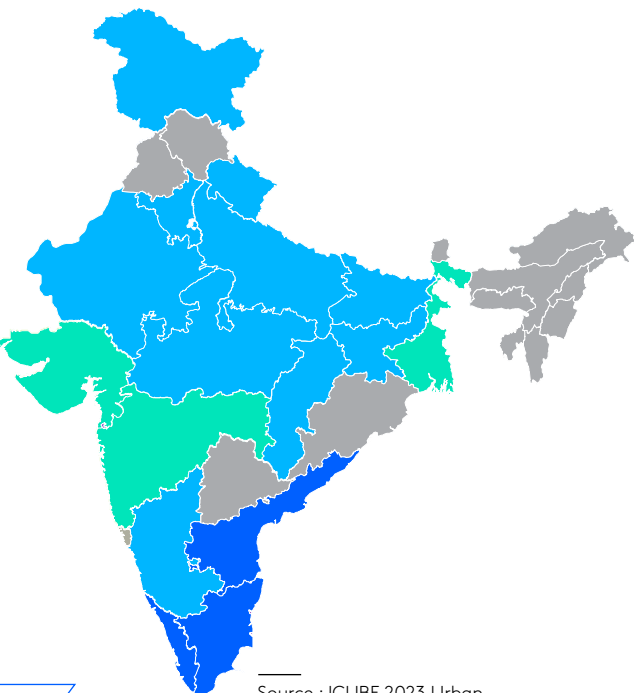
High Conversion Ratio: Tamil, Telegu and Malayalam

Possible Reasons:
- Users have higher affinity to watch content in their local language
- Extensive availability of content in these local languages

Mid Conversion Ratio: Hindi, Kannada

**Low Conversion Ratio:** Gujarati, Marathi, Bengali

Possible Reasons:
- Users have tendency to watch content in common languages like Hindi & English
- Lower availability of content in these local languages

Rest of the local languages

Source : ICUBE 2023 Urban

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Non Active Internet Users:
Still 45% of Indian population do not access internet

The size of this cohort is declining and present a lot of scope for expansion. Around half of the people in Rural India are Non-Active Internet Users.

Non-Active Internet Users

2021
762 M
52%

2022
714 M
48%

2023
665 M
45%

Proportion of Non-Active Internet Users
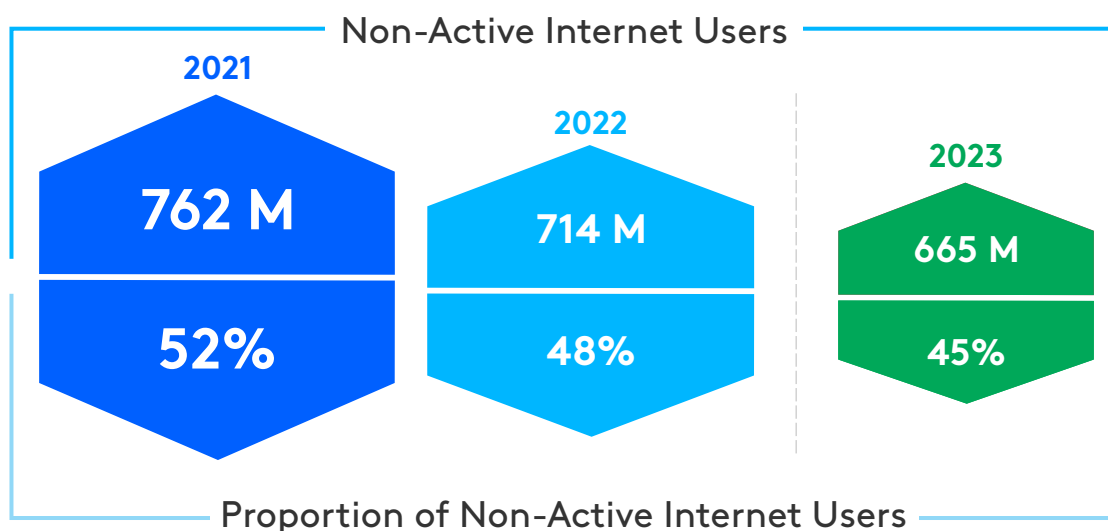
Reasons for Not Accessing Internet

	All India	Urban	Rural
Too difficult to understand and use	23%	23%	24%
Not aware of the benefits of the internet	22%	22%	22%
Not interested in accessing internet	22%	24%	21%
Not allowed to access the internet	21%	21%	21%
Cannot afford Internet Connection/Expensive for me	17%	15%	18%
Internet is very confusing to me	16%	18%	15%
Do not own devices (like computer, mobile, etc.) at home	16%	15%	16%
Nothing interesting for me is available on internet	13%	13%	13%
Too time consuming/Don't have enough time	13%	15%	12%

Base: Kantar ICUBE 2023, Non-Active Internet Users, All India 665 Million Urban India 138 Million, Rural India 526 Million

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Glossary of terminologies used

- **AIU (Active Internet User):** Those who have accessed the internet in the last one month

- **N-AIU (Non-Active Internet User):** Those who have not accessed the internet in the last one month

- **Entertainment:** Those who are either an Online Video Viewer (accessed video content through VOD or Social Media or WhatsApp or through other online sources in the last one year) or Online Music Listener (downloaded Music or purchased Music or accessed Music through either Amazon Music or Gaana or Wynk or Saavn or Google Music or any other online portal in the last one year) or Online Gamer (played games online on Laptop, Desktop, Tablet, Smartphone, Gaming Console in the last one year)

- **Communication:** Those who have done text/voice/video chat or used email, video conferencing, etc. using an online website or app in the last one year

- **Social Media:** Those who have accessed content on social media website or platform (can be browse/upload content or update status, etc.) in the last one year

- **Net Commerce:** Those who have accessed E-Commerce related activities (online shopping, online finance, online travel, etc) in the last one year

- **Online shopping:** Those who have done online shopping (through Amazon, Flipkart, etc.) in the last one year

- **OTT (Audio+ Video):** Those who have accessed video or music or podcast related content through any of the over-the-top media (Youtube, Hotstar, Prime Video, Gaana, etc) service providing apps or website in the last one year

- **Online Gaming:** Those who have played games online across any device in the last one year

- **Digital Payment:** Those who have used any digital instrument (i.e. Credit Card, Debit Card, Net banking, E-Wallet/UPI) in the last one year to make any offline or online payment

- **Digital Commerce:** Those who have accessed E-Commerce related activities (online shopping, online finance, online travel, etc) in the last one year

- **Online Learning:** Those who have accessed online learning resources or attended school, college, tuition, coaching or skill enhancement classes online through school/college platforms or other online websites/apps

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Glossary of terminologies used

Town Class Definitions:

- Top 4: Top 4 Metros (Delhi, Mumbai, Chennai, Kolkata)
- Next 5: Next 5 Metros (Surat, Bangalore, Ahmedabad, Hyderabad, Pune)
- Small Metros: Other Metros with population more than 1 MN
- Non Metros: 0.5 to 1 MN
- Small Towns: <0.5 MN

Village Class Definitions:

- VC 1 - Villages with population greater than 1000 individuals
- VC 2 - Villages with population less than or equal to 1000 individua

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This report includes insights from Kantar's Syndicated product ICUBE

25 YEARS+
expertise in tracking Digital users in the region

Extensive Coverage and Representative Sample
Urban/Rural; All India, State, City and SCR Level Estimations

Comprehensive view of Digital Commerce
Internet and Digital Commerce behaviour across categories shopped, platform incidence, online spends, etc.

Highlights Emerging/Future Trends
Highlights current and futures trends across different digital platforms. All India Projections on Census 2011.

For further details, please contact:

Puneet Avasthi
Director, Specialist Businesses, Insights, South Asia
puneet.avasthi@kantar.com

Biswapriya Bhattacharya
Director, B2B and Technology, Specialist Businesses, Insights, South Asia
biswapriya.bhattacharjee@kantar.com

Arnab Dutta
Group Account Director, B2B and Technology, Specialist Businesses, Insights, South Asia
arnab.dutta@kantar.com

ICUBE 2023 in a Glimpse

90,000+ Samples
66,000+ Urban Samples. 25,000+ Rural Samples

Face to Face Multistage Random
Sampling

Covers
35 States & Union Territories*

Covers
all 2 Lakh + Cities

400+ Cities
Captured

Encapsulates
550+ Districts
covering every nook and corner of the country

30+ Clients
across industry, media and Government bodies

Capability to
fuse data
with other syndicated products for a deeper understanding of psychographics and attitudes

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Kantar is the world's leading marketing data and analytics business and an indispensable brand partner to the world's top companies. We combine the most meaningful attitudinal and behavioural data with deep expertise and advanced analytics to uncover how people think and act. We help clients understand what has happened and why and how to shape the marketing strategies that shape their future.

For more information, visit www.kantar.com

About Internet and Mobile Association of India:

Established in 2004, the Internet and Mobile Association of India (IAMAI) is a not-for-profit industry body representing the digital industry. With 580 members, including Indian and multinational corporations, as well as start-ups, IAMAI has been instrumental in shaping India's digital economy. IAMAI advocates free and fair competition, and progressive and enabling laws for businesses as well as for consumers. The overarching objective of IAMAI is to ensure the progress of the internet and the digital economy. Its major areas of activities are public policy and advocacy, business to business conferences, research, and promotion of start-up.

For more information, visit www.iamai.in