India’s active Internet population likely to touch 900 million by 2025: IAMAI- Kantar ICUBE 2020 Report

New Delhi, 03 June 2021: According to IAMAI Kantar ICUBE 2020 Report, India is likely to have 900 million active Internet users by 2025 as against around 622 million as of 2020, registering a growth of about 45% in the next five years.

The report suggests that even though the Internet penetration in urban is more than 2X that of rural, usership in rural has been growing at a faster rate on a year-on-year basis. While internet users grew by 4% in urban India – reaching 323 million users (67% of urban population) in 2020, digital adoption continues to be propelled by rural India – clocking a 13% growth to 299 million internet users (31% of rural population) over the past year.

This indicates that there’s a lot of headroom for growth in rural India and this would help in bridging the urban-rural digital divide. However, the growth rate of AIU (those who have accessed internet in the last one month) has progressively reduced over the years and is the lowest in the last four years.

It also finds that nine out of ten active internet users access internet every day; On an average, they spend around 107 minutes (1.8 hours) actively on the internet daily. Though the proportion of daily users is marginally higher in urban India as compared to rural India, AIU in urban India is spending 17% more time as compared to rural India.

Biswa Priya Bhattacharjee, Executive Vice President, Insights Division, Kantar, stated, “By 2025, there would be greater number of internet users in rural India than in urban India. Given this, the digital eco system will need to evolve to address the specific needs of this emerging demography. Vernacular, Voice and Video will emerge as the game changers for the digital ecosystem over the next few years.”

Small towns account for almost two out of five active internet users while the top 9 metros account to 33% of the active internet users in urban India. The report suggests, of 1433 million population in India, 622 million individuals are AIU and this translates to about 43% of the total population (across urban and rural India). However, with a sizable population not accessing internet actively in rural India, there is a huge headroom for growth in the next few years.
Interestingly, the proportion of male to female AIU remains almost the same in rural and urban India. In urban India, the ratio between male to female Internet users is around 57:43 while in rural India, the ratio between male to female Internet users is 58:42.
Mobile continues to remain the device of choice for accessing internet in both urban and rural. Given the affordability of mobile devices along with the availability of cheaper data plans, accessing Internet through a mobile device has clearly become the first choice, finds the report.

Digital Services have assumed great importance for India with the government actively promoting a vision of $1 Tn digital economy. Also, Internet has become a lifeline to most of us amid the Covid-19 pandemic. Almost every decision achieves fruition with the able interference and assistance of the internet. Coronavirus has made us acutely realize the importance of internet. The internet helped businesses tide
through the tough lockdowns, individuals connected with each other, used the opportunity to learn and acquire new skills and provided much needed meaning and reason to carry on.

The spread of internet has been possible thanks to the joint efforts by the government (promoting e-governance, Digital India vision), telecom services providers (more affordable data packages, better connectivity) and Internet Service providers (popular services like digital entertainment and e-commerce, expanding content in Indian languages). IAMAI stated that the ongoing growth of internet penetration in India provides a critical platform for all stakeholders to harness the digital revolution. The pandemic has also fueled the growth. The association expressed optimism that government’s policies, regulations and industry’s support will further strengthen the digital footprint in India and ensure a robust digital economy in the country.

About ICUBE

ICUBE is an annual syndicated study of Kantar to measure the reach and frequency of Internet usership in India. Launched in 1998, the study is in its 23rd year. ICUBE 2020 covered about 75,000 respondents across Urban and Rural India. ICUBE has been playing a key role in highlighting important trends related to e-commerce, online entertainment, social media, digital payments, vernacular adoption etc.

About IAMAI

The Internet and Mobile Association of India [IAMAI] is a young and vibrant association with ambitions of representing the entire gamut of digital businesses in India. It was established in 2004 by the leading online publishers, and in the last 16 years has come to effectively address the challenges facing the digital and online industry including mobile content and services, online publishing, mobile advertising, online advertising, digital entertainment, e-commerce and mobile & digital payments among others. Sixteen years after its establishment, the association is still the only professional industry body representing the online industry in India. The association is registered under the Societies Act and is a recognized charity in Maharashtra. With a membership of nearly 300 Indian and overseas companies, and with offices in Delhi and Mumbai the association is well placed to work towards charting a growth path for the digital industry in India.

About Kantar

Kantar is the world’s leading evidence-based insights and consulting company. We have a complete, unique and rounded understanding of how people think, feel and act; globally and locally in over 90 markets. By combining the deep expertise of our people, our data resources and benchmarks, our innovative analytics and technology, we help our clients understand people and inspire growth.

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