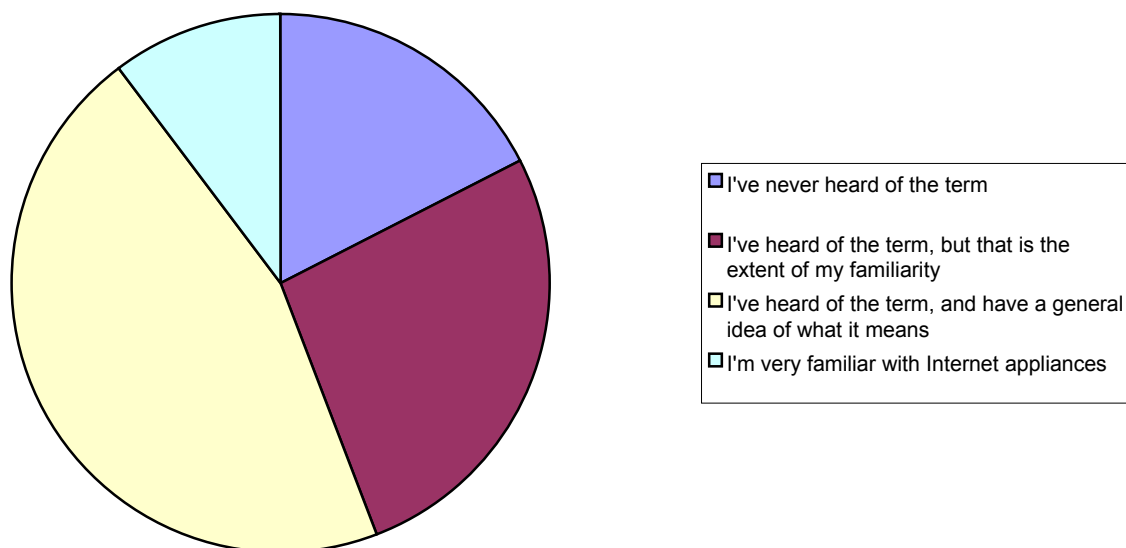


Executive Summary: Internet Appliance Web Survey

In late 2001, Cahners In-Stat Group conducted a web survey among members of its Technology Adoption Panel on the topic of Internet appliances. In this survey, Internet appliances were defined as devices whose primary function is to deliver web browsing capabilities.

A majority of the 1043 respondents who participated in the survey indicate that they are familiar with Internet appliances; over 55% of respondents either have a general idea of what the term means, or are very familiar with Internet appliances. However, that familiarity has not led to the purchase of Internet appliances, with less than 3% of respondents reporting that they own one. In fact, fewer than 17% of respondents had even used an Internet appliance.

Which of the following describes your familiarity with Internet appliances?



When those who indicated that they would probably or definitely not purchase an Internet appliance in the next 12 months were asked to indicate why they weren't likely to make a purchase, nearly three-quarters said they prefer full-function PCs, while nearly 40% responded that they saw no need to buy one. A nearly identical percentage opined that the price/benefit of Internet appliances was not compelling enough.