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Capgemini Research: COVID-19 lays bare the disadvantages of the digital divide

The public and private sectors must act now to enable access to critical services, tackle social exclusion, and enable career mobility for the offline population

Paris, May 5, 2020 – There is an urgent need to tackle the sharp digital divide between the world’s online and offline populations, according to the latest research from the [Capgemini Research Institute](#), and intensified by the COVID-19 pandemic. Its latest report, launched today, highlights that the responsibility for addressing digital exclusion lies jointly with public and private organizations, who must come together to ensure that access to essential services isn’t denied to the digitally marginalized.

[“The Great Digital Divide: Why bringing the digitally excluded online should be a global priority”](#) reveals that even before the pandemic hit, 69% of people without online access were living in poverty¹ and that 48% of the offline population wanted access to the internet – trends that will have intensified due to worldwide events over recent months.

The report highlights that even without the global pandemic the digital divide intersects age, income and experience. Nearly 40% of offline people living in poverty have never used the internet because of its cost, and the age group with the highest proportion offline in the sample² is those between 18 and 36 years old (43%). Complexity of using the internet (36%) and a perceived “lack of interest” stemming from fear (38%) was also cited by certain segments of the offline population. These reasons mean that people are unable to access public services such as critical healthcare information as governments increasingly move to online resources.

COVID-19 has demanded a global change in how people live, work and socialize; as unemployment soars and people isolate from their communities, a basic level of digital inclusion has become almost universally vital. Conducted just prior to the outbreak, the research findings are now even more pertinent in the current context – with the increasing reliance on digital services exacerbating what was already a desperate situation for the offline population.

1 For the purpose of this research, we used each country’s definition of low income or poverty in Europe, the US and India:

- For France, Germany, Sweden, and the United Kingdom, Eurostat along with the National Institute of Statistics and Economics Studies (INSEE) in France and the European Statistical System in Europe defines the low-income population as the at-risk of poverty rate, which is the share of people with an equivalized disposable income (after social transfers) below the at-risk-of-poverty threshold, which is set at 60% of the national median equivalized disposable income after social transfers.
- For the United States, the Federal Register in the Department of Health and Human Services (HHS) issues poverty guidelines based on household/family size each year. The poverty guidelines are a simplified version of the federal poverty thresholds issued annually by the Census Bureau. The 2019 poverty guideline for a family of four in the 48 states (excluding Alaska and Hawaii) is \$25,750.43
- For India, the low-income population was defined as a monthly household income of less than ₹20,000 per month.

2 The Capgemini Research Institute surveyed 1,304 people who are currently not online via phone and face-to-face discussions



Key findings from the report include:

Being offline leads to social exclusion and hinders access to public services

- Being offline can lead to feelings of isolation, inadequacy, or loneliness: 46% of offline respondents said they would feel more connected to friends and family if they had access to the internet.
- Only 19% of offline people living in poverty said they had claimed a public benefit in the past 12 months due to their income, age, disability or any other factor. This could become problematic when e-Government and online public services are increasingly prevalent cites the report.
- 34% of respondents expressed interest in using the internet to apply for public benefits such as housing, food and healthcare, following the digital transformation of public services and increasing difficulties to do their online administration.

Being offline limits career mobility

Difficulty in applying for jobs online and a lack of access to online learning and education tools can make upwards career mobility more challenging for the offline population, while a lack of digital skills development can inhibit the potential for career mobility once in a role:

- 44% of offline respondents believe they would be able to find better paying jobs and educate themselves if they had access to the internet.
- Overall, 29% of offline respondents wish they could search and apply for jobs online; this jumps to 41% for those aged 22 to 36.

The digital divide is also about a skills and learning divide

The digital divide is not just about access, it's about improving skills and learning for those who are online. By improving their online skills, respondents said they could educate themselves better and find a better paying job (35%), give their children more opportunities (34%), not struggle to pay bills (33%) and get public benefits they don't currently have (32%.)

The responsibility of bridging the gap must be shared

Capgemini's research notes that the responsibility for digital inclusion and access to the internet cannot fall to one group. Private organizations need to consider their role in today's world – increasingly beholden not only to stakeholders but also to their customers, employees and communities, they must look more broadly at how they can benefit society in the long term by incorporating digital inclusion and equality into their business strategy. Meanwhile, governments and the public sector need to play a leading role in enabling internet access and availability, especially for marginalized communities. This can be tackled at several levels: internet access in public spaces, internet access in private homes, as well as with the acquisition of the necessary fundamental digital skills; but it means improving greater accessibility to online public services and making sure to maintain low costs for consumers.

Together, organizations and policy makers need to work to build a global community of action on digital inclusion. They can mobilize peers, NGOs, academics, and governments to foster evidence-based policies on digital inclusion and work with partners to promote digital inclusion through pro-bono projects that leverage their expertise.

"COVID-19 is likely to have a lasting impact on access to public services and attitudes to opportunities like remote working, so there's a collective responsibility for organizations which work to challenge the digital divide



do so in a way that it creates a long-term change, not just a quick fix,” said Lucie Taurines, Global Head of Digital Inclusion at Capgemini. “In the wake of this pandemic, we expect to see a closing of the digital gap – for example, elderly people who have previously not felt a need for digital access will quickly find themselves engaging with digital tools in place of face-to-face socializing and the provision of goods. However, this is reserved for those who can get access to the internet but have previously chosen not to. The impact will be felt among those who still can’t use online services, whether through a prohibitively high cost or a lack of local provision. Here we’ll see a polarizing effect, especially for those already living in or falling under the poverty line.”

As an organization, Capgemini is focused on four key areas to reduce the digital divide and lead digital inclusion:

- **Digital literacy:** providing meaningful support to empower the digitally excluded to have more autonomy in accessing public and private online services and unlock new opportunities
- **Digital academies:** enabling employment for disadvantaged populations and people away from the job market through digital skills training
- **Technology for positive futures:** bringing together technology, business, and society to solve key societal issues and deliver positive impact through cutting-edge technologies
- **Thought leadership:** working with think tanks and intellectual bodies and joining forces with clients, NGO partners, public bodies and academies to continue driving impact through Digital Inclusion initiatives

To find out more about Capgemini’s global CSR program and the digital inclusion initiative, visit the [CSR page](#).

To read a full copy of the report, please click [here](#).

Research Methodology

For this research, the Capgemini Research Institute undertook a two-pronged approach to survey over 5,000 respondents across France, Germany, India, Sweden, the United Kingdom, and the United States. The research took place from December 2019 to February 2020.

- To understand the online population, the Institute conducted an online survey of 3,750 individuals with 56% living in poverty and 44% not in poverty
- To understand the offline population, the Institute conducted a telephone survey of 1,000 individuals not online and a face-to-face survey of 304 individuals not online. 69% percent of the offline population is living in poverty and 31% is not in poverty.

The Institute also conducted one-on-one interviews with 26 executives at 22 non-profit organizations, charities, and NGOs working in the digital inclusion space as well as private companies with digital inclusion initiatives in France, Germany, India, the United Kingdom, and the United States.

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About the Capgemini Research Institute

The Capgemini Research Institute is Capgemini's in-house think-tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, Singapore, the United Kingdom and the United States. It was recently ranked #1 in the world for the quality of its research by independent analysts.

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