

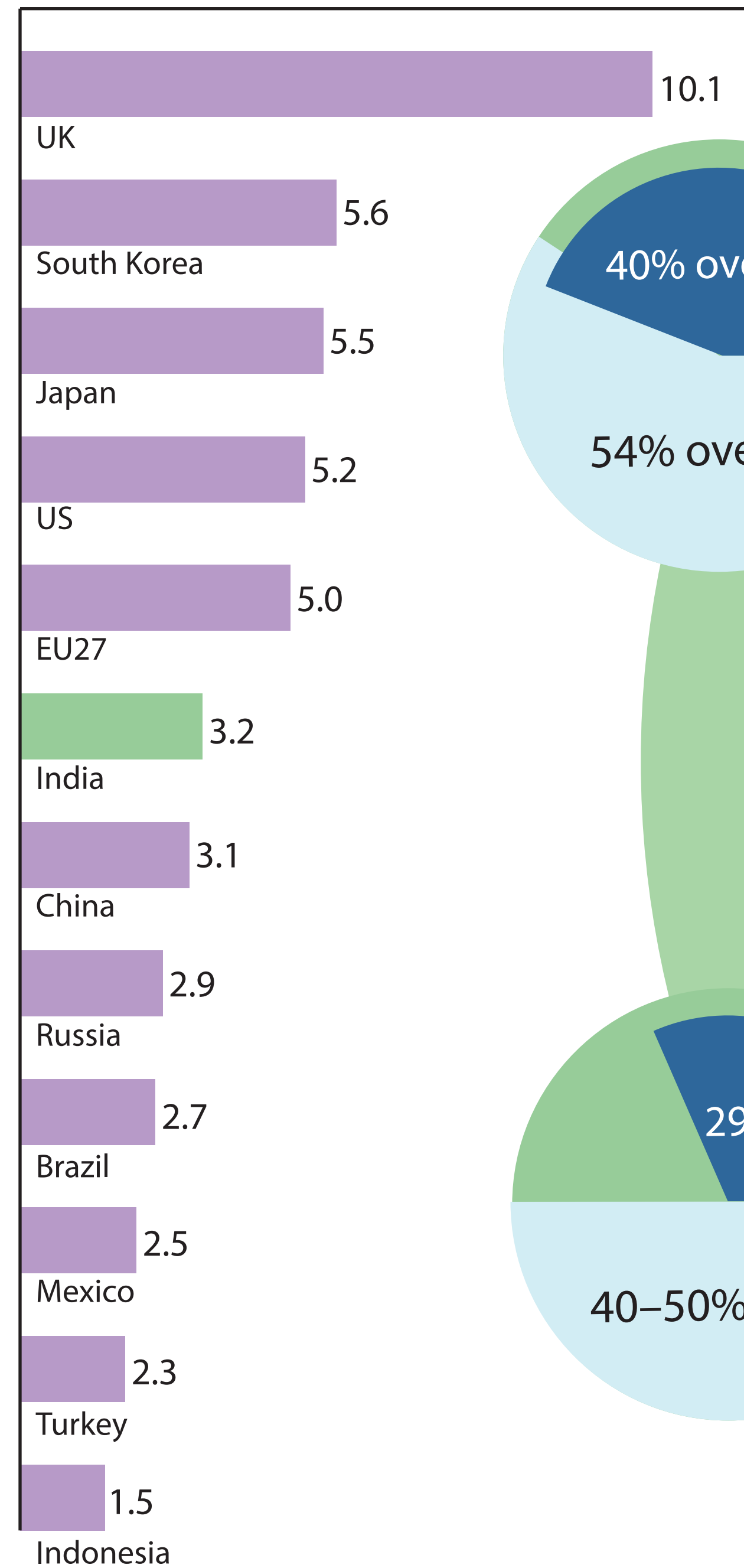
# India goes Digital

## CREATING A \$200 BILLION INTERNET ECONOMY

### India Internet Contribution to GDP Leads Among Major Developing Countries

Internet contribution to GDP (Total GDP 2013 estimate (%))

0 2 4 6 8 10 12

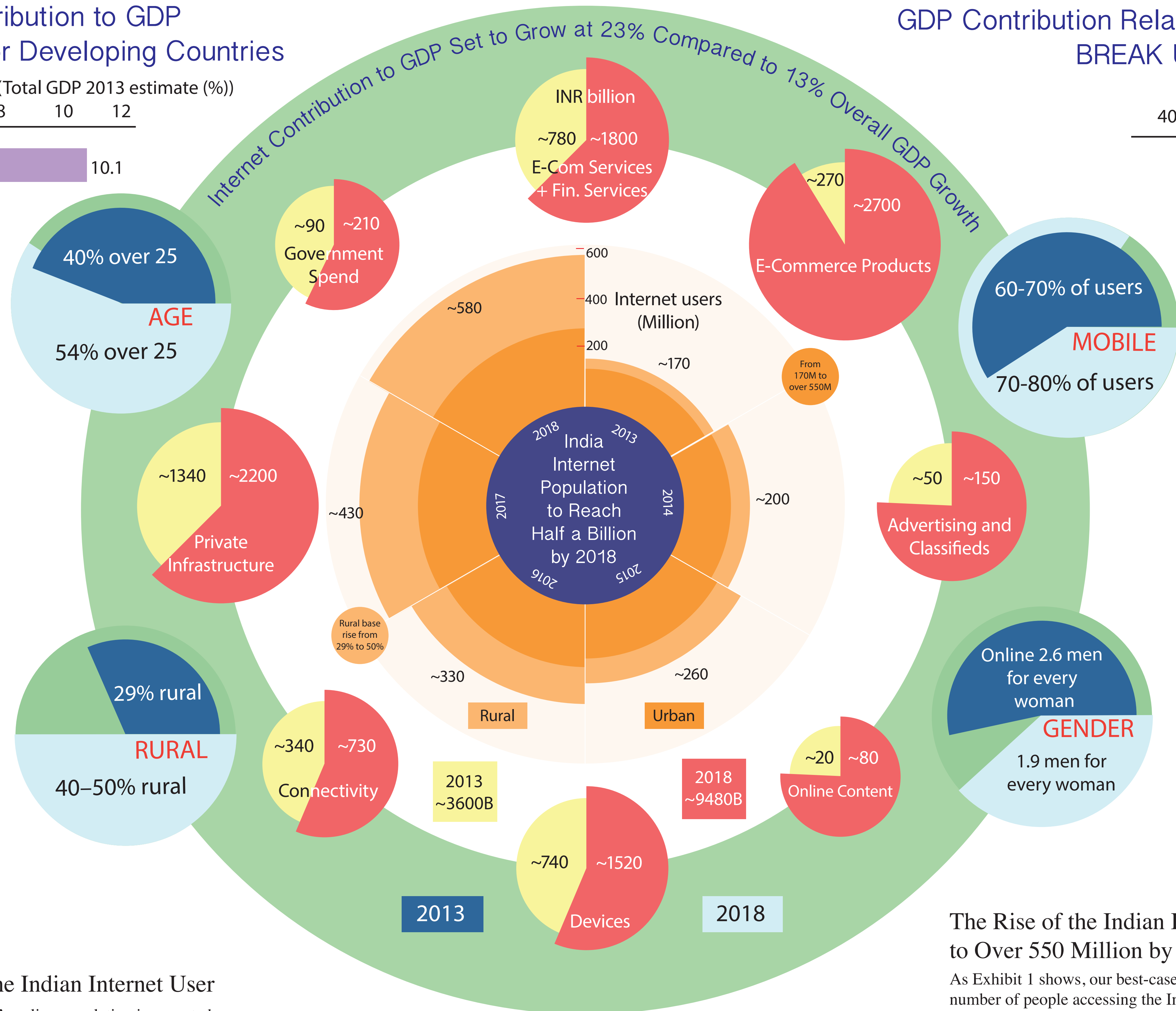
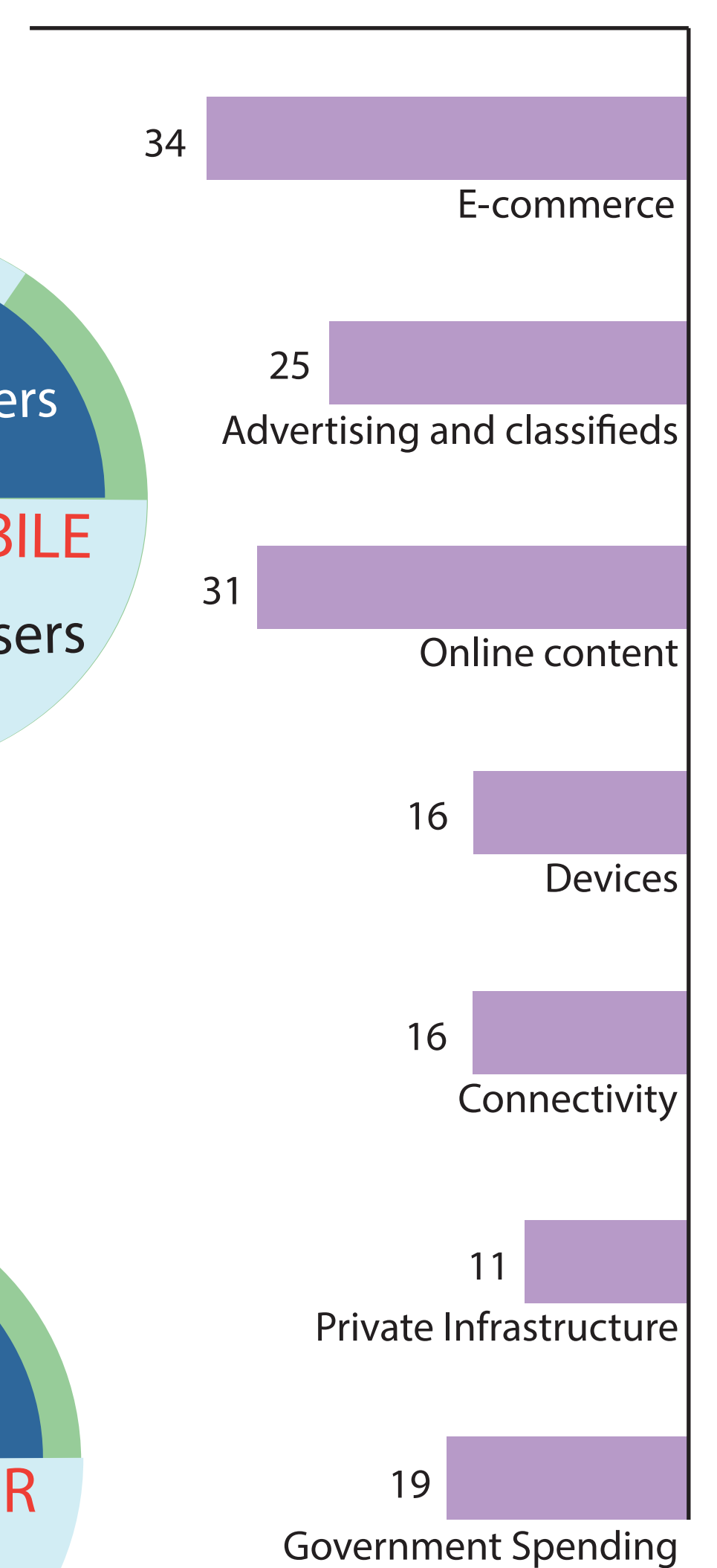


### The Changing face of the Indian Internet User

The next wave of growth in India's online population is expected to give rise to a user base that will be significantly different from the current Internet user group, along multiple dimensions—be it in terms of geography, demographics, access device, or content medium. The class of 2018 will be more rural, older, more gender-equal, more mobile, and more vernacular than their counterparts of today.

### GDP Contribution Related to the Internet BREAK UP BY ELEMENTS

2013–18 CAGR (%)  
40 30 20 10 0



*The 2018 Internet Population  
Will be Older, More Rural,  
More Gender Balanced,  
More Mobile, and More Vernacular*

### The Rise of the Indian Internet User Base to Over 550 Million by 2018

As Exhibit 1 shows, our best-case scenario envisages that the number of people accessing the Internet in India will jump from 190 million as of June 2014 to over 550 million in 2018. This will be made possible through near universal 2G reach, improved 3G and wireline, and government intervention on such key issues as public access, connectivity costs, and consumer awareness. Reduced government intervention will result in lower growth in the user base, resulting in approximately 400 million Internet users by 2018.

Sources: BCG analysis, Ernst & Young estimates of share of eComm businesses, GfK, Gartner, FICCI/KPMG, OVUM, IMF.