

CONSUMERLAB



CONNECTING THE SENIOR GENERATION

ICT usage habits among seniors in the US

An Ericsson Consumer Insight Summary Report
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METHODOLOGY

For the purpose of this US report, Ericsson ConsumerLab conducted 30 interviews with 65-75 year olds in the San Francisco area. Additionally, eight in-home interviews were conducted. Most were retired and either living alone or with their spouse. This particular group of seniors would most likely be found in wealthy suburban areas surrounding major metropolitan cities.



THE VOICE OF THE CONSUMER

Ericsson ConsumerLab has close to 20 years' experience of studying people's behaviors and values, including the way they act and think about ICT products and services. Ericsson ConsumerLab provides unique insights on market and consumer trends.

Ericsson ConsumerLab gains its knowledge through a global consumer research program based on interviews with 100,000 individuals each year, in more than 40 countries and 15 megacities – statistically representing the views of 1.1 billion people.

Both quantitative and qualitative methods are used, and hundreds of hours are spent with consumers from different cultures.

To be close to the market and consumers, Ericsson ConsumerLab has analysts in all regions where Ericsson is present, which gives a thorough global understanding of the ICT market and business models.

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THE SENIOR GENERATION GOES DIGITAL

Today's communication technology has become part of day-to-day life, and is used in almost all aspects of daily routine. Most people have used technology at work and in their personal lives for a long time, and for the younger generation this has always been the norm. But what about the generation that did not grow up with digital technology, who have not necessarily used it during their working lives? This generation have lived most of their lives in an analog world.

Society is greatly influenced by the lifestyles of the younger generation, and how they look, think, exercise and dress. And it is no different for the older generation, who are embracing younger behavior in terms of style, culture and way of living.

But is this also the case for communication technology? Have the older generation embraced technology in the same way as the younger generation, and if they have, are they using it in the same way? How have they changed their behavior, and do they have different requirements for their communication tools and services?

This is what this report is all about.



THE OLDER GENERATION IS GETTING YOUNGER

in terms of style, culture and way of living.

KEY FINDINGS

> Improved quality of life

This is the first generation of seniors who were able to bring communication technology into older age. Those who have taken up the technology feel more enriched, informed, young, and in touch with others as well as what is happening in society. In short, they feel they have an improved quality of life.

> Bridging the generational gap

The use of communication technology is bridging the gap between generations in a way that has never been the case with previous generations. Children and grandchildren can share their technology expertise, teach and give support to their parents and relatives, creating a common ground in their relationship. One of the strongest influences to start using new communication modes is children and grandchildren.

> Tablet is the preferred device

The tablet, with its bigger screen and user friendliness, is an attractive device for 65-75 year olds, and is likely to be a major device for this generation.

> New ways of communicating

Texting has migrated to this generation from children and grandchildren, eating into both voice and email usage.

> Sharing via video

Video calling is just beginning to catch on with this generation. It is a perfect tool for this age group, with its easy handling enabling them to have conversations with close friends and family. It also allows for the details and circumstances of life to be shared.

> Digital divide

With the growing presence of technology in today's daily life, there is an increasing digital divide between generations, but also within the older age group, with a majority who have not yet embraced usage of smartphones, tablets and new services.



LEARNING FROM THE YOUNG



First generation to engage with ICT in old age

Most 65-75 year olds have been exposed to digital technology during their working lives. This is in contrast to the cohort of 75-90 year olds ahead of them, many of whom missed the broad deployment of mobile phones, internet and personal computers in the workplace. This group of 65-75 year olds will be the first generation to develop a personal connection and comfort level with ICT devices in old age.

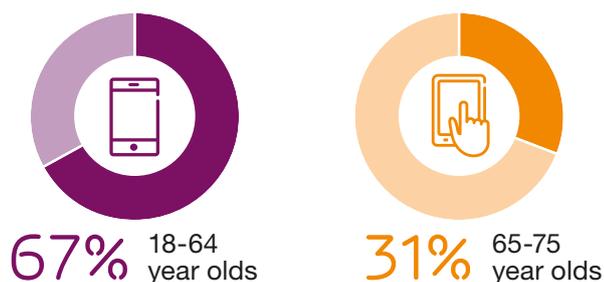
The divide between and within generations

Clearly, there is a divide in technology knowledge between the generations. But it is apparent that this might not only be between the generations, but within the older cohort as well. There is a huge divide between those who have enthusiastically embraced the usage of smartphones and tablets, and those who for various reasons have not adopted them.

Bridging between generations

The seniors that have embraced technology see communications technology as a way of bridging generations, allowing them to not only stay in touch with their younger family members, but also feel part of a younger culture. In this respect, these technologies have provided an area of common ground between the generations. They create a source of conversation and a process by which younger people can teach an older generation a set of practices that have genuine value to both. This has not been the case with previous generations.

Figure 1: Percentage of people in the US who own a smartphone or tablet



Source: Pew Internet & American Life Project 2013

A busy lifestyle

Seniors' active and sociable lives are filled with connections: with children and grandchildren, volunteer activities, socializing with friends, personal interests and passions, and travel.



IMPROVED QUALITY OF LIFE

It is clear that technology makes this generation feel much closer to family and friends. The technologies often give these seniors strong feelings of liberation and control. It also makes life easier, allowing them to organize things, be informed, share experiences and keep in touch with more people, more often.

Involvement with communications technologies made this age group feel younger. Most spoke of the importance of being in contact with younger family members. Everyone felt that their quality of life had improved.

Technology adoption

There is a disparity between spouses when it comes to adopting and deploying technologies within the family, which depended on the following things:

Style differences: Nowadays, each family member can tailor their communication style to suit their personal taste. Within an individual family, there might be profound differences in taste. Gone are the days of a more monolithic communications solution. An example might be a family in which the woman texts and uses multiple apps on her smartphone, while the man prefers to email and restricts his phone to voice calls only.

Involvement differences: There could also be differences in interest level and motivation, with one spouse very engaged in these technologies and devices, and the other less so. Some of the time this is due to differences in work history and background: one spouse may have used similar

technologies at work and thereby developed a comfort level lacking in the other partner. However, at other times, it has more to do with differences in involvement and connection to the world.

Technology leaders: Whatever the differences in style and motivation, there is usually one member who takes the lead in staying on top of technology developments and bringing new devices into the family. Whereas a generation ago this responsibility would have defaulted to the man in the household, nowadays it could be the woman as well.

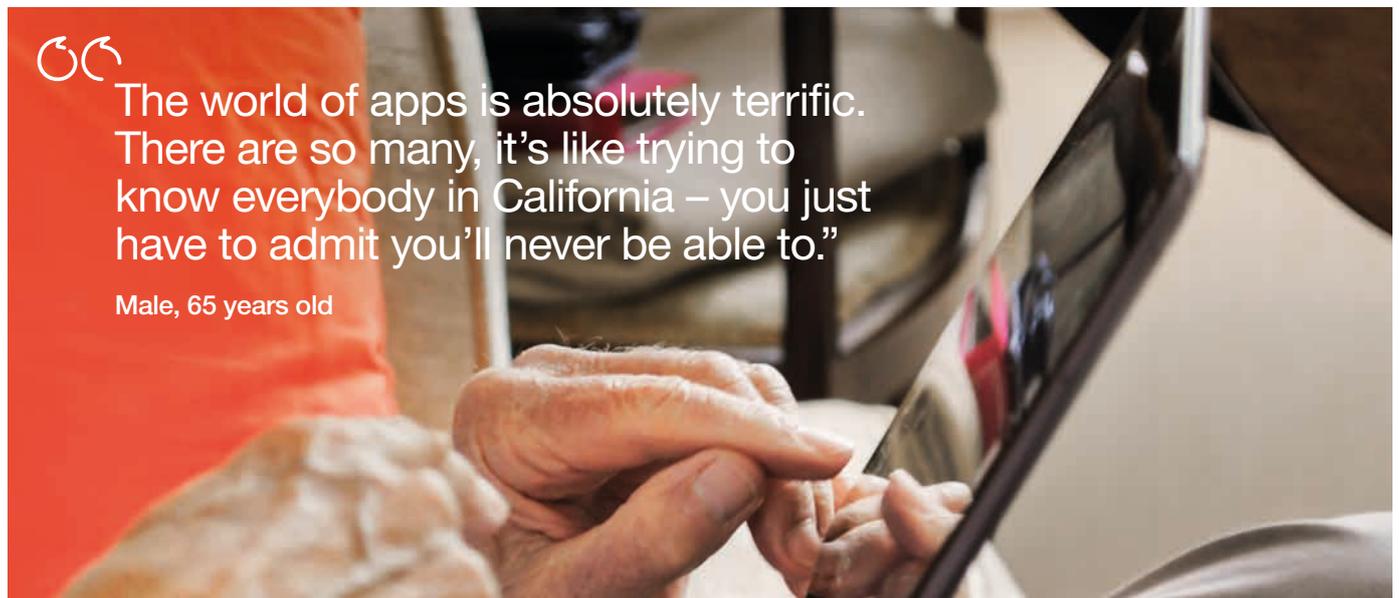
Regardless of gender, these digital communications family leaders may be characterized as:

- > Not geeky
- > Often socially oriented
- > Not intimidated by technology, and feel in control
- > Use a broad array of modes, devices and, often, apps
- > Have a keen interest in what ICT does for them rather than in the features themselves
- > Get their information from a broad array of sources
- > Have fun keeping up-to-date and staying on top of developments



The world of apps is absolutely terrific. There are so many, it's like trying to know everybody in California – you just have to admit you'll never be able to.”

Male, 65 years old



EMBRACING THE MODERN

Smartphones and tablets with apps are the essential new tools for this age group. Uptake is increasing, and the easy handling experienced with using touchscreens and intuitive interfaces make them perfect tools – especially the tablet with its bigger screen. While a computer can stand unused for a week, that would not happen with a tablet. They are used for just about everything: emailing, entertainment, watching videos, Facebook, games, news, shopping, general internet access and surfing, and importantly, as a device for video calling. They are seen as superb devices for showing photos and photo collections. Tablets are also used as second screens while watching TV at night. In a very real sense, they have become much more personal devices than the PC or laptop computer.

Apps have taken what used to be complex tasks and made them simple – seniors feel more in control and more liberated. This was especially true when using the smartphone away from home.



“On a typical day, the first thing I do is get up and look at my tablet.”

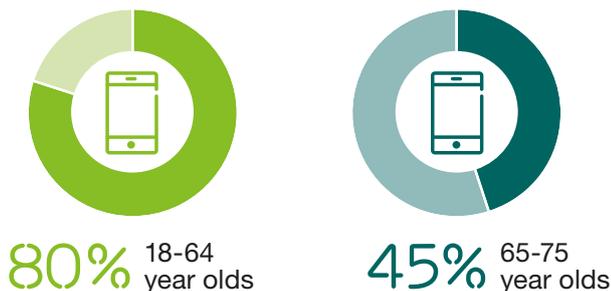
Female, 68 years old



SMS

Texting has found its way into this group, and is used extensively to communicate with both family and friends. For many, texting is a recently acquired mode adopted from children, and is often viewed as the only reliable way to keep in touch with a younger generation. Texting is used differently from other generations, especially when it comes to formulating messages, with the older generations often using full sentences. They are much more careful with sending emotional messages that could easily be misunderstood.

Figure 2: Percentage of people in the US who use SMS as a form of communication



Source: Pew Internet & American Life Project 2013

Video calling

Video calling services, e.g. Skype and FaceTime, suit this age group well, and are a good substitute for not being able to meet. It gives the enjoyment of sharing events and being able to have frequent contact with family and friends in a way that is not possible with other media. It is not just used to see people, but to provide contextual details of a life lived, e.g. a garden, artwork, the home, a new dress, a grandchild’s achievement, etc. You can even take part in a live event as it happens, or do virtual shopping together. Tablets especially are used in this way.

Social media

Social networking sites (almost exclusively Facebook) have clearly developed considerable traction with this older audience. These seniors are mainly passive consumers of Facebook material, not producers. Postings are usually limited to significant events in their lives. It is used as a forum to discover and reconnect with old friends, colleagues and schoolmates, but mainly for looking at photos and keeping up with the activities of family members.

For this age group, Facebook is about reconnection and getting updates on the activities of others, rather than broadcasting their own lives.

EASE AND FULFILLMENT

In a way this generation has more to consider when it comes to communicating, as many of their friends might still only use a landline and not SMS, while the younger generations can be sure of reaching most of their friends by SMS.

Email

Because this generation sets a high value on the written word and grew up writing letters, this form of communication is still valued as a reliable and important mode for certain kinds of communications. However, the frequency of emailing has gone down for this group, as more informal and succinct exchanges of information have migrated to SMS and to some extent social media.

Where voice calls and texting can be seen as intrusive, email is sometimes seen as a better option, as it gives the receiver the choice of reading and answering in their own time. For these seniors, it is important to show consideration for other people. They might feel uncomfortable sending a text or making a call if they believe they would disturb the receiver.

It is quite widely recognized that the younger generation has deserted email for more informal communication, and that it is not a reliable way of reaching them.



OLD WAYS OF COMMUNICATING ARE USED LESS

Voice

Many longer voice calls have been replaced by shorter, more frequent texting. This movement from voice to text is clearly a relief to some, as it is seen as more efficient, freeing people from the burden of a long voice call when the primary purpose is just to exchange short information. Many are also considerate about not disturbing other people with calls if it is not important.

Landline

While a few have dropped landlines altogether, most still like the security of having the landline in place, even though usage has gone down. Voice quality over landline is viewed as better over mobile phones, which is an important consideration for some.

Variables affecting uptake

If basic finances and health are in place, there are certain things that influence the uptake of technology more than others. These include:

- > Children and grandchildren – feeling obliged to start texting and using other media to communicate with them in their preferred ways
- > A social life with many friends and contacts
- > Friends and family members who are advanced users
- > An explorative mindset and an urge to stay on top of things

Smartphones and tablets are much easier to use, and have more intuitive interfaces than existed previously. This is something that is possibly more important for this generation.

There seem to be few problems when using the devices. Resistance is more in the mind, and when that lack of confidence has been overcome, they embrace this way of communicating with enthusiasm.



SMARTPHONES AND TABLETS ARE INTUITIVE TO USE

The divide between and within generations will grow even more in the future, as long as there are groups not taking up new technology to the same extent as others. The question is how those who do not feel the need, or do not understand the benefits technology offers, can be encouraged to take the small step to becoming more informed, and having an easier, more fulfilling and more communicative life.



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Our services, software and infrastructure – especially in mobility, broadband and the cloud – are enabling the telecom industry and other sectors to do better business, increase efficiency, improve the user experience and capture new opportunities.

With more than 110,000 professionals and customers in 180 countries, we combine global scale with technology and services leadership. We support networks that connect more than 2.5 billion subscribers. Forty percent of the world's mobile traffic is carried over Ericsson networks. And our investments in research and development ensure that our solutions – and our customers – stay in front.

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