Spotlight on Americans 50+

Introduction
While American adults ages 50 and over are quite similar to younger adults regarding their video viewing habits, there are a number of distinct behavioral differences. It is important for video device manufacturers and retailers to consider the diverse video needs and desires of adults ages 50 and over because this age segment is sizable in both their numbers and spending power.

This AARP sponsored analysis brief examines the results from CEA’s study The Evolving Video Landscape to provide insight into how this segment of the online U.S. population differs from their younger counterparts.

Note: Results are among online consumers who generally are more technology inclined than those who do not access the Internet.

Market Size
- Over 100 million people ages 50 and over currently reside in the United States.
- This segment represents nearly one third of the overall U.S. population.
- This age segment is projected to increase to about 135 million people by 2030 and constitute approximately 37% of the overall U.S. population (a 5% increase).
- The highest expenditures for this age segment compared to younger age groups include healthcare, personal care, and entertainment.

Source: US Census Bureau / AARP

Technology Appeal and Ownership
- About 1 in 4 adults ages 50 and over (26%) are early adopters of technology (they buy as soon as technology becomes available, or soon after) – less than the 41% of those under age 50.
- Televisions are the most commonly owned video capable device for all age groups.
- Americans ages 50 and over are more likely to own desktops and basic TVs than people ages 18 to 49.
- Older Americans are less likely to own HDTVs compared those ages 18 to 49.
- The widest ownership gaps in video capable devices between those ages 50+ and those under 50 are for smartphones and portable media players.

Video Consumption Behaviors
- Most Americans ages 50 and over consume video content at home, especially using a television. Nearly everyone in this age segment (98%) views video content at home.
- In-home viewing has the highest average share of video viewing time by far among people ages 50+ (85% of viewing time).
- On average, U.S. adults ages 50 and over watch just less than two hours of video content per day.
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Video Consumption Behaviors

- Looking at television content viewed, adults ages 50+ watch significantly more news (85%) and weather (79%) programming compared to adults ages 18 to 49 (news 70%, weather 62%).

Understanding the Differences

- Older Americans prefer viewing through TVs; only mild interest in using mobile devices

Older Americans use traditional, non-portable video devices most often at home rather than on the go devices. Just 37% say portability is important to them compared to 48% of adults ages 18 to 49.

- Following this trend, the majority (69%) say they DO NOT use video devices in public settings (such as malls, libraries or parks) compared to 45% of adults ages 18 to 49.

- Additionally, the majority (62%) of adults ages 50+ would choose to watch video on a HDTV if they could choose from any video capable device available on the market, followed a distant second by a standard definition TV (17%).

Education about OLED technology will pay off for older Americans.

- Although adults ages 50+ are less familiar than younger people with OLED televisions (just 42% of adults ages 50 and over are at least slightly familiar with OLED), this emerging technology has some of the features most desired in a television by older adults, such as providing a high quality image with increased brightness and clarity, as well as having outstanding energy efficiency.

- Over half of adults ages 50+ (54%) find an ultra-thin screen to be very desirable or critical.
As American adults ages 50+ upgrade televisions less frequently than younger age groups (54% say they are not ready to upgrade their TV compared to 44% of adults 18 to 49), having a television that is reliable in long-term use will factor significantly in the purchasing decision.

Older Americans are interested in bigger screens, even if they have yet to purchase one.

- Despite having slightly higher annual income than their younger counterparts, adults ages 50+ are actually more likely to own televisions with screens smaller than 40 inches. This is due, in most cases, to keeping older (typically smaller) television sets in the home rather than splurging on new big screens.
- There is potential for this trend to change as 33% of television owners (either HDTV or standard definition sets) ages 50+ would most like to change the screen size of their television compared to just 25% of adults ages 18-49.
- Additionally, over half (57%) of adults ages 50+ say that getting a larger screen size is a motivator to buy their next television compared to 48% of adults ages 18-49, which suggests older buyers are a prime target for bigger screen TVs in the future.

Televisions lead video device adoption intent.

- Adults ages 50+ are, across the board, less likely than younger people to plan to purchase any video capable devices within the next year. This hesitance comes despite having higher annual incomes.
- It is likely that income is being allocated in other ways such as toward retirement savings, medical expenses or travel. However, across the array of viewing devices, televisions remain the most likely device to be purchased within the next year.

In the next 12 months among those indicating a likelihood to purchase a television, the features most likely to be purchased by adults ages 50+ include LCD Flat Panels (52%), bigger screens (38% over 40 inches compared to 13% under 40 inches), 3DTV (26%), OLED (23%), and plasma (22%).
In Summary

Americans ages 50 and over are a sizable market segment for video device retailers and manufacturers to target. With well over 100 million people in this age group who spend nearly $3 trillion annually and have reached peak income levels, there is significant spending power to tap into for video device purchasing. Older Americans also tend to spend proportionally more on entertainment (whether it is through technology products, dining out, traveling or attending shows) than younger age groups.

Americans ages 50 and over prefer televisions over portable, non-traditional video devices for their video viewing. CEA research finds that while older adults are less likely to purchase and use portable video devices, there is greater preference for television usage among this segment compared to their younger counterparts. Video device retailers and manufacturers should continue to focus on quality products for this age segment to use at home.
Methodology

The report described herein was designed and formulated by the Consumer Electronics Association (CEA)®. Data from this analysis brief was sourced from CEA’s *The Evolving Video Landscape* study. The quantitative study was administered via Internet web form to an online national sample of 1,002 U.S. adults between February 22 and March 2, 2012. The margin of sampling error at 95% confidence for aggregate results is +/- 3%. For Americans 50+ the sampling error is +/- 5.5%.

CEA members can access CEA’s *The Evolving Video Landscape* study at [http://members.CE.org](http://members.CE.org).

Non-members may purchase the full study which includes analysis and data crosstabs at [http://mycea.ce.org/](http://mycea.ce.org/)

About CEA

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the $195 billion U.S. consumer electronics industry. More than 2,000 companies enjoy the benefits of CEA membership, including legislative advocacy, market research, technical training and education, industry promotion, standards development and the fostering of business and strategic relationships. CEA also owns and produces the International CES - The Global Stage for Innovation. All profits from CES are reinvested into CEA’s industry services.

About AARP

AARP is a nonprofit, nonpartisan organization with a membership that helps people age 50 and over have independence, choice and control in ways that are beneficial and affordable to them and society as a whole, ways that help people 50 and over improve their lives. Since 1958, AARP has been leading a revolution in the way people view and live life.

*About AARP’s Innovation@50+ initiative:*

The Innovation@50+™ initiative aims to spark entrepreneurial activity across public and private sectors. Anchored by the AARP social mission – to enhance the quality of life for all as we age – the initiative enlists the expertise of visionary thinkers, entrepreneurs, the investment community, industry and not-for-profits to spur innovation to meet the needs and wants of people over 50.

On the ground, the initiative catalyzes research and helps shape a marketplace ethos by promoting core, unifying principles such as “design for all.” It stimulates new business models that reflect the broad transformation in how the 50-plus life is being re-imagined. Lastly, the initiative prepares 50-plus people to communicate with, access, engage and thrive in a new "longevity economy."