TOPICAL SPOTLIGHT OWNERSHIP AND USE

Tech Adoption – At An All Time High in 2020

A 2021 Tech Study reports on technology ownership and use among the 50-plus

The COVID-19 pandemic accelerated adoption of various technology devices among the 50-plus as older adults updated and modernized their tech to enhance their home entertainment and to stay connected to loved ones during months of lockdown. As a result, tech spending tripled year over year from \$394 in 2019 to \$1,144 in 2020, with high dollar items such as smartphones and Smart TVs topping the list of technology purchases in 2020.

But beyond ownership, use of such devices also increased as reliance on technology to get everyday tasks done became the norm. The 50-plus used tech for everything from making financial transactions and buying groceries, to video chatting with family, friends, and co-workers. While 2020 was a unique year full of challenges, many of the 50-plus adjusted nicely with the help of technology.

Older adults report significant year over year increases in tech ownership

The 50-plus admittedly prefer to wait to adopt proven technology as 64% report engaging with new technology only once it becomes mainstream. That said, significant increases in ownership of all types of tech devices is seen among this audience in 2020 as the year-long pandemic persisted.

In 2020, 50-plus adults updated and modernized their technology and continue to increase their ownership of all kinds of tech devices.

Trended Device Ownership Among 50+

■ 2017 (n=1,520) ■ 2019 (n=2,607) ■ 2020 (n=2,256)

In fact, tech ownership among the 50-plus, and more specifically among those 50-59, now reaches ownership levels similar to that of the 18–49-year-old consumer, closing what has traditionally been a significant tech gap between generations. However, tech items such as virtual reality devices continue to have low adoption rates (3%) although awareness of such technology is limited (77% unfamiliar).

2020 Device Ownership Among 50+ Age Bands

■ 50-59 (n=808) ■ 60-69 (n=798) ■ 70+ (n=650)

* Indicates a significant difference at a 95% confidence level

pandemic. It is not just certain sub-segments of the 50-plus who upped their game, increases in ownership is seen in all age bands (50-59, 60-69, 70+) with little variance by ethnicity or life-stage. However, there are some variances worth noting.

Those 50-59 report higher incidence of ownership of all devices compared to those older, with those 70+ lagging significantly behind the 50-59 and 60-69-year-olds in Smart TV ownership (51% vs. 72% and 67%, respectively). Conversely, those 70+ report the largest increase in tablet ownership year over year, up from 40% in 2019 to 53% in 2020.

When considering ownership by ethnicity, African Americans report lower rates of owning a smartphone (78%) but higher rates of owning a regular phone (34%) compared to those of other ethnicities (86% and 20%, respectively, among total). They also report a higher incidence of Smart TV ownership (70%) compared to total (64%).

Those with the highest incidence of smartphone ownership are those with kids in the household (92%) and/or caregivers (90%).

Tech spending tripled from 2019 to 2020 among the 50-plus

As home entertainment and staying connected to loved ones became a focus during the pandemic, older consumers looked for ways to update and modernize their technology. Consequently, 72% of the 50-plus audience bought at least one technology device in 2020 and as a result, tripled their year over year technology spend.

2020 Device Ownership 18- 49 vs. 50+

■ 18-49 (n=551)
■ 50+ (n=2,256)

Smartphone

Laptop or Netbook

Tablet

Wearables

Home Assistant

Smart Home Tech

Smart TV

**Average amount spent
on tech increased**

\$394 2019	\$1,114 2020
----------------------	------------------------

Big ticket items such as smartphones and Smart TVs topped the list of devices purchased in 2020, along with Bluetooth headsets as video chat and the use of streaming services surged. Regardless of age or ethnicity, these were the top three purchases made in 2020.

Top 10 Tech Items Purchased 2019 and 2020 Adults 50+

Tech device usage increased significantly during the COVID-19 pandemic

As a result of the COVID-19 pandemic, the 50-plus have a new appreciation for technology, with 44% admitting they feel more positive about the use of technology to connect with others than they did before the

In fact, at the time of the survey, 82% agreed they relied on technology to stay connected to friends and family. And this dependency and newfound appreciation is seen in their increased usage of various tech devices.

For starters, smartphones are used daily by practically all those 50 years of age and older (97%), yes, even those 70+ (95%) use their smartphone on a daily basis. While many continue to use their smartphones for the most common activities such as text, email, directions, browsing, and news, the pandemic created new habits. Significant increases in using the smartphone for making purchases, financial transactions, getting health and fitness information, engaging health care services, and ordering groceries is seen from 2019 to 2020. And possibly one of the largest smartphone changes recorded year over year is an increase in the use of video chat to stay connected to friends and family, up from 52% to 70%.

This increase in use, either number of activities or the frequency in which they are used, is not limited to smartphones, as increases in app usage for both smartphones and tablets was reported in 2020.

Shopping, social media, and banking are among the apps used the most

Top 10 App Type with Greatest Weekly Use Growth YOY Among 50-plus

In addition, the consumption of streamed entertainment increased dramatically in 2020 with a shift from 42% engaging such media in 2019 up to 60% in 2020, and they did it often. Weekly use of streaming services for TV, movies, and videos increased from 44% in 2019 to 58% in 2020. Those 50-59 stream entertainment more regularly than those 60+; Daily usage is 36% among 50-59, 27% among 60-69, and 25% among 70+.

Frequency of Streaming Among 50-plus - YOY

■ Daily ■ Weekly ■ Monthly ■ Less than monthly ■ Never

* Indicates a significant difference at a 95% confidence level

50-plus households with kids are twice as likely to subscribe to Disney+

47%
WITH KIDS

18%
NO KIDS

While the pandemic presented challenges this past year, with today's technology becoming so much more mainstream and accessible, those 50-plus rose to the occasion and found new ways to use technology to help them adjust to what was the 'new normal' for the foreseeable future.

For more information on the survey and methodology please contact:

Brittne Kakulla, bkakulla@aarp.org

DOI: <https://doi.org/10.26419/res.00420.004>