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FOR B2C MARKETING PROFESSIONALS

# The State Of Consumers And Technology: Benchmark 2017, US

**North American Consumer Technographics®**

by Gina Fleming

June 28, 2017

## Why Read This Report

This report is our annual overview of the impact of technology on US consumers' attitudes, behaviors, and expectations in a rapidly changing world, based on the Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017. B2C marketers must understand their current and prospective customers to help their firms mature their marketing programs. Read this report to gain deep, data-driven insights that help you design and deploy successful marketing plans to engage your target audience.

## Key Takeaways

**The Average US Consumer Lives A Digital Life**
The mainstream US consumer in 2017 uses a smartphone and tablet, shops online, and experiments with new payment methods.

**Consumers In Their 30s Are The Early Adopters**
They continue to be technology leaders and the early adopters of new technology. They lead the adoption of new technologies like wearables, smartwatches, and personal assistants.

# The State Of Consumers And Technology: Benchmark 2017, US

**North American Consumer Technographics®**

by Gina Fleming
with Reineke Reitsma, Theresa Pappafotopoulos, Xiaotong Duan, and Rachel Birrell
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## Understand Your Customers With Consumer Technographics

Since 1997, Forrester has surveyed more than 3 million households worldwide. For many years, we have published an annual benchmark report that reveals the impact of technology on consumers' attitudes, behaviors, and expectations. This report — the latest installment in that series — highlights the most valuable data-driven insights for B2C marketers in 2017.

The US market is fueled by empowered customers, who experiment with and rely on technology. In 2017, for example, 14% of US online adults use a fitness tracker, 8% use a smart speaker with a personal assistant, and 7% use Apple Pay.[1] Forrester's Empowered Customer Segmentation shows that about a quarter of US online adults are Progressive Pioneers, the most empowered consumers who lead the demand for product and experience innovation. Smartphone and tablet usage is now common among mainstream US consumers: Three-quarters use a smartphone, and half use a tablet.

As age is a strong predictor of technology adoption, this report examines consumers' technology behaviors through that lens.

### Eighteen- To 29-Year-Olds Are A Mobile-Savvy Audience

This youngest age group leads in mobile savvy and social media usage; they are the second most empowered group, lagging only those consumers in their 30s.[2] We found that online adults under 30:

› **Are the most active mobile users.** Eighty-five percent use a smartphone — more than any other age group. They live a mobile lifestyle and, as a result, expect companies to deliver mobile experiences. They have the highest Mobile Intensity Score in the Mobile Mind Shift Index.[3] They are the only age group more likely to have an iPhone than an Android smartphone, and they do more activities on their smartphone than any other age group. On a weekly basis, 81% access social networking sites, 58% stream music, and 45% stream video and TV shows via their smartphone.

› **Consume their media online.** They are the only age group more likely to watch TV and listen to radio online than offline: 94% watch some form of online TV (by either streaming or downloading content), and 79% listen to online radio. This cohort is the target for streaming services: 66% watch Netflix and 81% watch YouTube on a regular basis. They are also the most active social networkers, using the highest number of social media platforms of any age group.[4] While consumers in their 30s are slightly more likely to use Facebook and Twitter, these younger adults are most likely to use Instagram, Snapchat, and Pinterest.

› **Are the most likely to research products and services online.** Three-quarters of these young adults have researched products and services online in the past three months, which is more than their older peers. However, at 73%, their use of online shopping closely mirrors that of those older adults. And they spend an average of $446 online in a three-month period — about half of that spent by those in their 30s and only $50 more than adults ages 65+.

## Thirty- To 39-Year-Olds Lead In Technology Usage And Spending Power

US consumers in their 30s are a prime target for marketers: They are the most willing to experiment with new technologies, are hungry for new experiences, and have the greatest spending power. We found that 30- to 39-year-olds:

- **Are the most empowered customers.** Under Forrester's Empowered Customer Segmentation, 43% are Progressive Pioneers. Defined by their drive to experiment with and their reliance on technology, Progressive Pioneers have the greatest expectations for seamless digital experiences, demonstrate the most comprehensive information consumption skills, and have a strong "go-getter" attitude.
- **Lead in technology usage and adoption.** These consumers demonstrate a deep willingness to experiment across multiple facets of technology: For example, they are the most likely to use a smartwatch or fitness tracker and to use emerging payment methods. And 43% agree that they are usually among the first of their friends to try out new technology, leading all other age groups. Boasting the highest incomes, they have the desire and the means to experiment with new technologies.[5] In fact, they spend an average of $840 online over a three-month period — the highest of all the cohorts.
- **Are the most receptive to brands' social media efforts.** A third think brands often share interesting content on social networks, and 32% think it's cool to be associated with brands on social media. Forty-two percent agree that social networks are a great way to communicate with and show brands how they really feel about them, and 39% report that following brands or sharing their content allows them to show their support for those brands.
- **Value having information at their fingertips.** Each week, 60% of them read detailed reviews that other consumers post online about products or services; a fifth do so at least daily. Blogs, message boards, and forums are also popular for researching products and services online: 46% read a blog post from a company about its products and services weekly, and 47% read message boards or forums hosted by companies weekly. They are the age group most willing to experiment with new ways to get information seamlessly: 15% use a smart speaker with a personal assistant like the Amazon Echo or Google Home.[6]

## Forty- To 49-Year-Olds Show Mainstream Technology Behaviors

Online adults in their 40s exhibit technology behaviors typical of the average US consumer. In 2017, this means they use smartphones and tablets, shop online, and experiment with new payment methods. We found that online adults in their 40s:

- **Adopt digital once its value is proven.** They are not as tech-savvy as the younger cohorts, but they lead older consumers. Convenience Conformers are the largest empowered segment for this age group: They opt for products and services that make their lives easier but only once they are widely available. They rely on technology, are accustomed to using multiple devices, stream online video, and are comfortable using payment methods like PayPal. However, they live a primarily digital, not mobile, life.

- **Use mobile in multiple facets of their lives.** While consumers in their 40s are not the leaders in terms of mobile usage and sophistication, they integrate mobile into many aspects of their lives. For example, 72% regularly use their smartphone for social networking, and more than a third stream music, use mobile coupons, and use banking apps on their phone.

## Fifty- To 64-Year-Olds' Technology Patterns Reveal Some Bright Spots

Consumers in their 50s and early 60s lag younger adults in their technology usage. Just 39% agree that technology is important to them. But they have adopted mainstream technologies like smartphones and tablets. We learned that consumers ages 50 to 64:

- **Embrace widely used technology.** They are slower to adopt new technology — just 4% use a smartwatch and only 2% have used Apple Pay. But their usage of more mainstream technology has hit critical mass. Five years ago, just over a third used a smartphone and 15% used a tablet.[7] Today, more than two-thirds use a smartphone, just under half use a tablet, and the majority use Facebook and watch TV online.
- **Are avid online shoppers.** Forty-five percent are employed full time, and another 20% have retired. As they begin to transition into retirement, their spending patterns will change. They currently spend an average of $550 online over a three-month period, less than their younger peers but still a significant amount. More than three-quarters have shopped at Amazon in the past three months, and they are more likely to make everyday purchases online than offline, including books, electronics, music, and clothing.

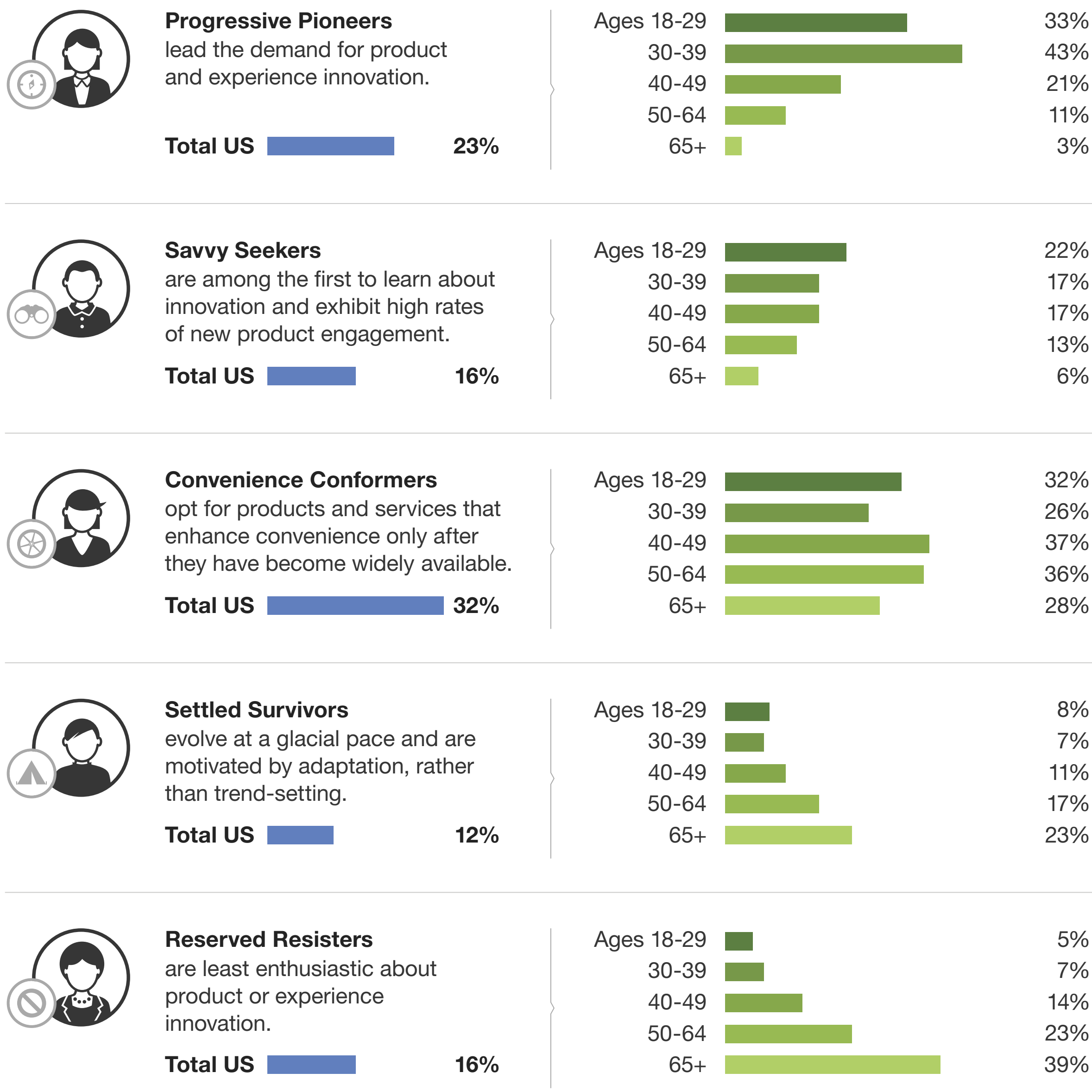
## The Over-65s Adopt Technology When They See Fit

This oldest age group is the least empowered: They have the highest share of Reserved Resisters — consumers who are risk-averse and neither value technology nor demand digital engagement. But that doesn't mean they are digital illiterates. We found that the over-65s:

- **Are the most likely to avoid advertising across mediums.** In fact, they are the most likely to actively avoid 14 of the 16 types of advertising we address. Eight in 10 mobile app users try to avoid ads in them; seven in 10 who visit websites try to avoid ads on them; and 40% who watch TV try to avoid ads on it.
- **Don't see the point of using alternative payment methods.** Only 38% use alternative payment methods; the most popular is PayPal. Among nonusers of each, familiarity is extremely low — 3% or fewer are very familiar with each; the exception is PayPal, with which a fifth of nonusers are very familiar. But 41% don't see the point in using alternative payment methods, and 37% don't know enough about them to use them.
- **Are technology laggards but will adopt when it's right for them.** Only 8% of the over 65s are usually among the first of their friends to try out new technology. A mere 2% use a smartwatch and only 3% use a smart speaker with a personal assistant. However, older consumers do adopt technology when the benefit outweighs the hassle: For example, 8% use a wearable fitness tracker to improve their health, and 68% read media content online.

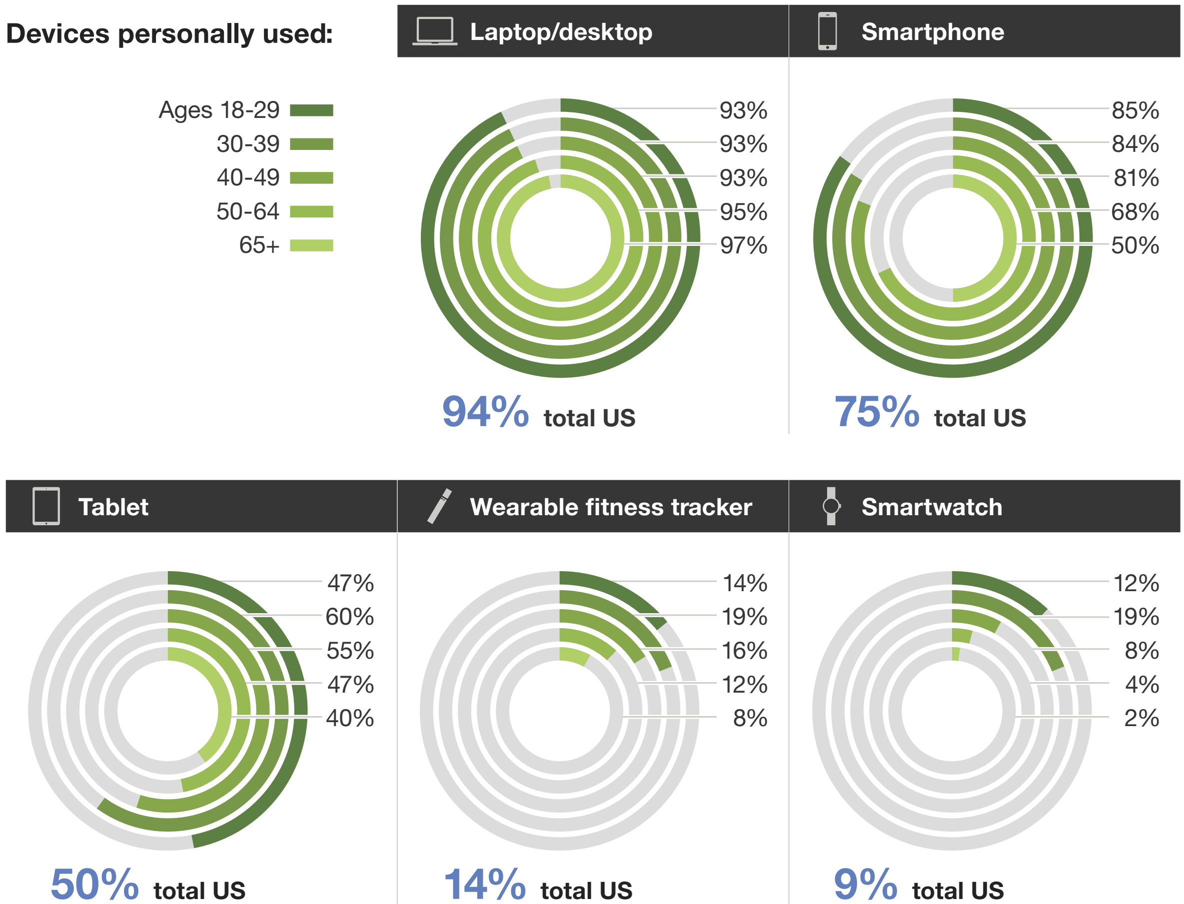
Forrester's Empowered Customer Segmentation

## Forrester's Empowered Customer Segmentation:




Base: 7,192 to 58,000 US online adults (18+)
Note: Percentages do not total 100 because of rounding.
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

Consumers In Their 30s Are Most Likely To Use Wearables

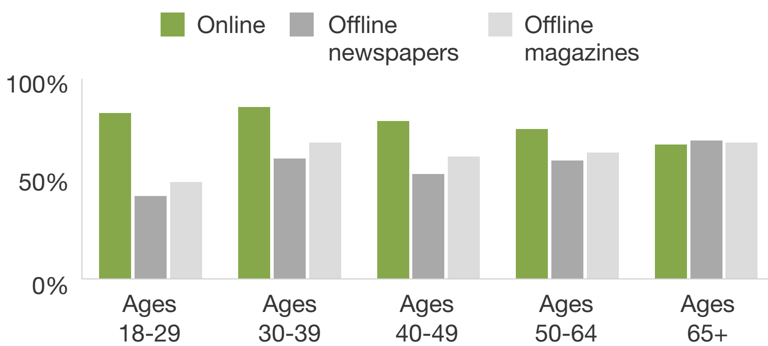



Base: 7,192 to 58,000 US online adults (18+)
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

The 18- To 29-Year-Olds Are More Likely To Consume Media Online

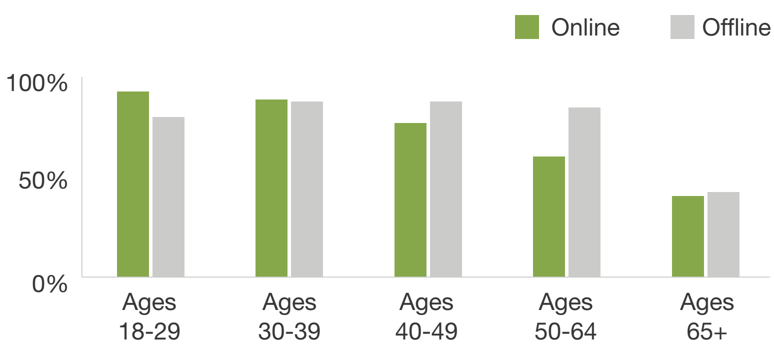
## Media consumed in a typical week:

### Reading media content



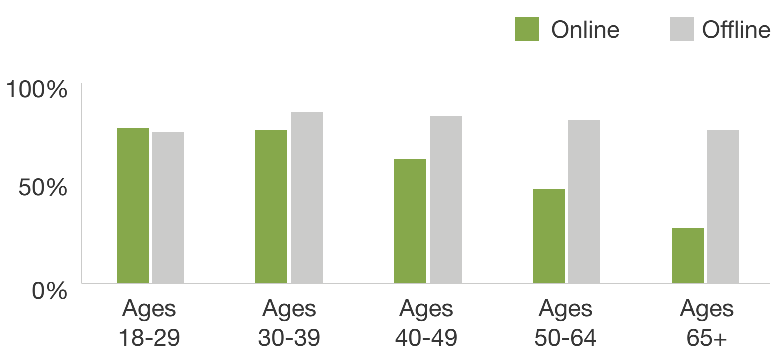

**80%** of all US online adults read media content **online**.

### Watching TV shows, film, or video




**86%** of all US online adults watch TV, film, or video **offline**.

### Listening to the radio

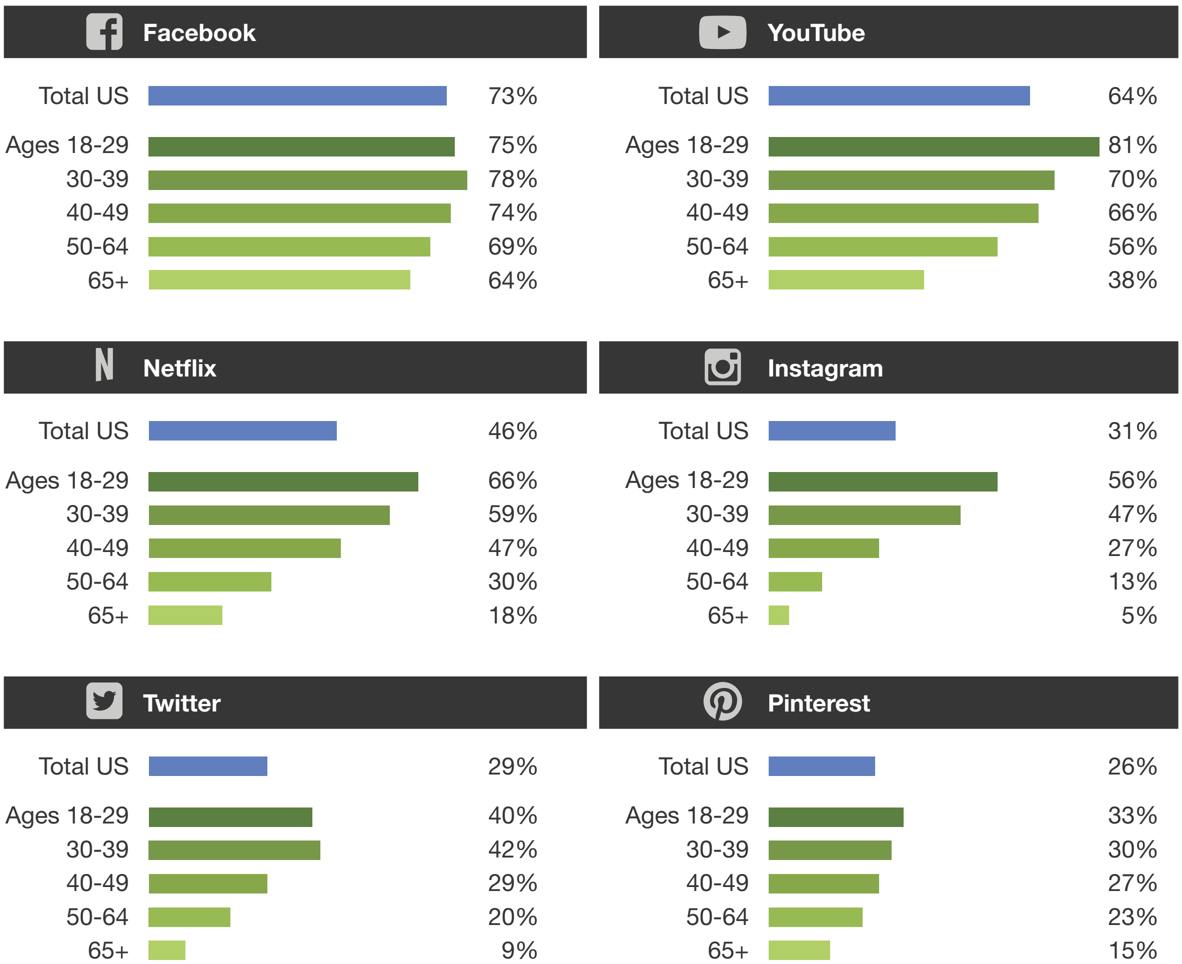



**82%** of all US online adults listen to the radio **offline**.

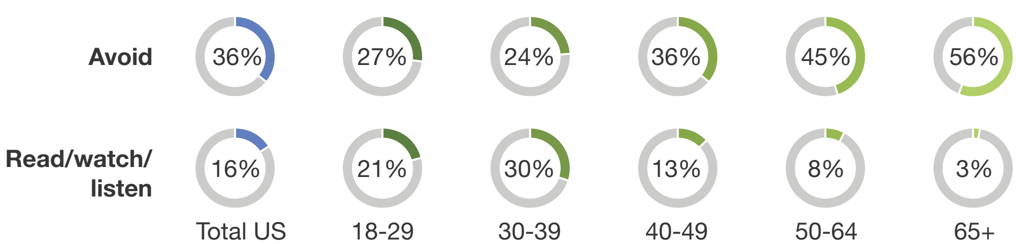
Base: 7,192 to 58,000 US online adults (18+)
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

Most US Online Adults Regularly Use Facebook And YouTube

### Websites visited online at least monthly:



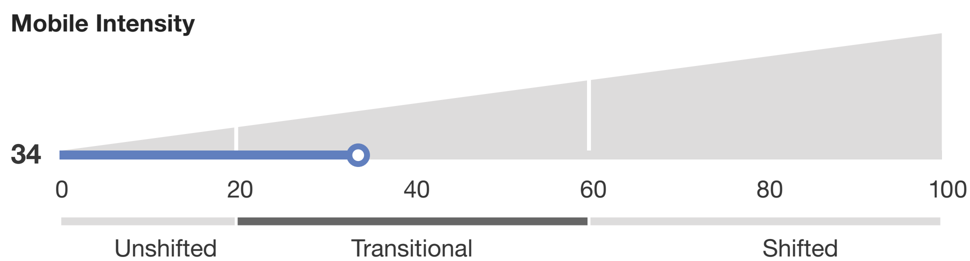

### Reactions to branded posts on social media:

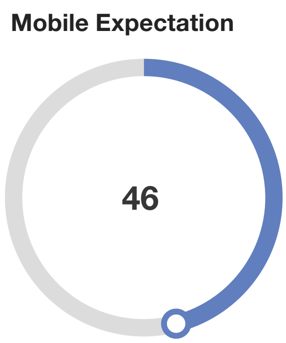


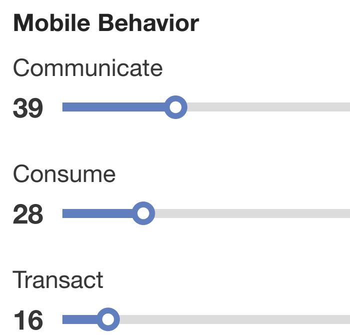

Base: 7,192 to 58,000 US online adults (18+)
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

The Mobile Mind Shift Index

## The Mobile Mind Shift Index:



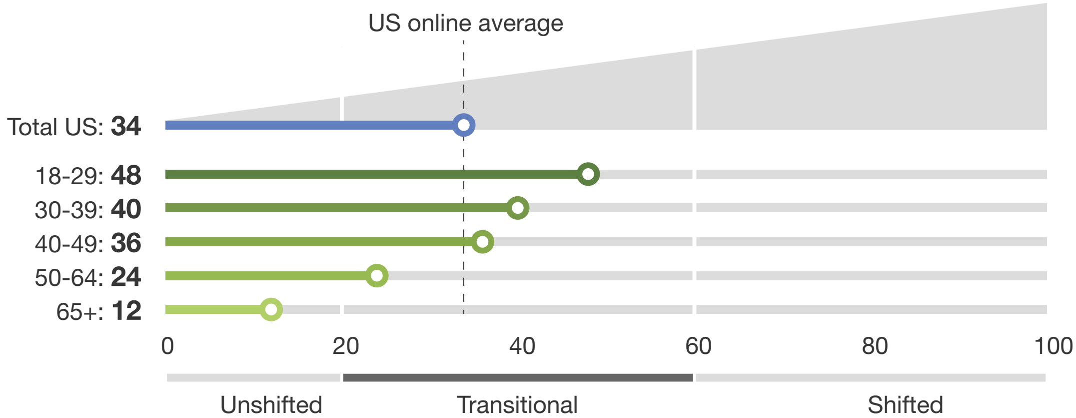




Base: 58,000 US online adults (18+)
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

## The Mobile Mind Shift Index (Cont.)

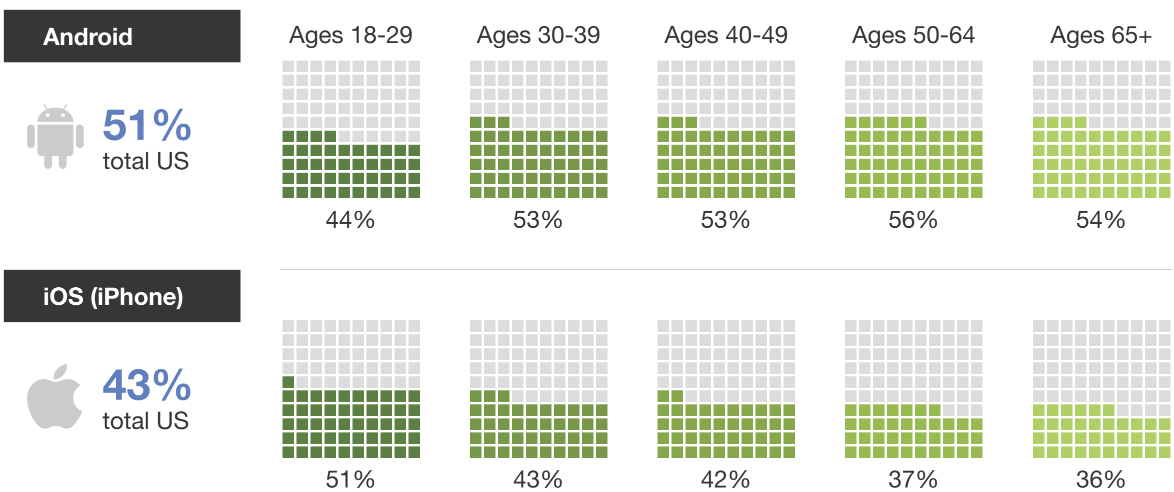
### The Mobile Mind Shift Index: Mobile Intensity Scores




Base: 7,192 to 58,000 US online adults (18+)
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

## Older Consumers Prefer Android To iOS

### Operating system preferences:




Base: 3,594 to 43,723 US online adults (18+) who use a smartphone
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

Smartphone Activities Among US Online Adults

**Activities done on smartphone weekly:**

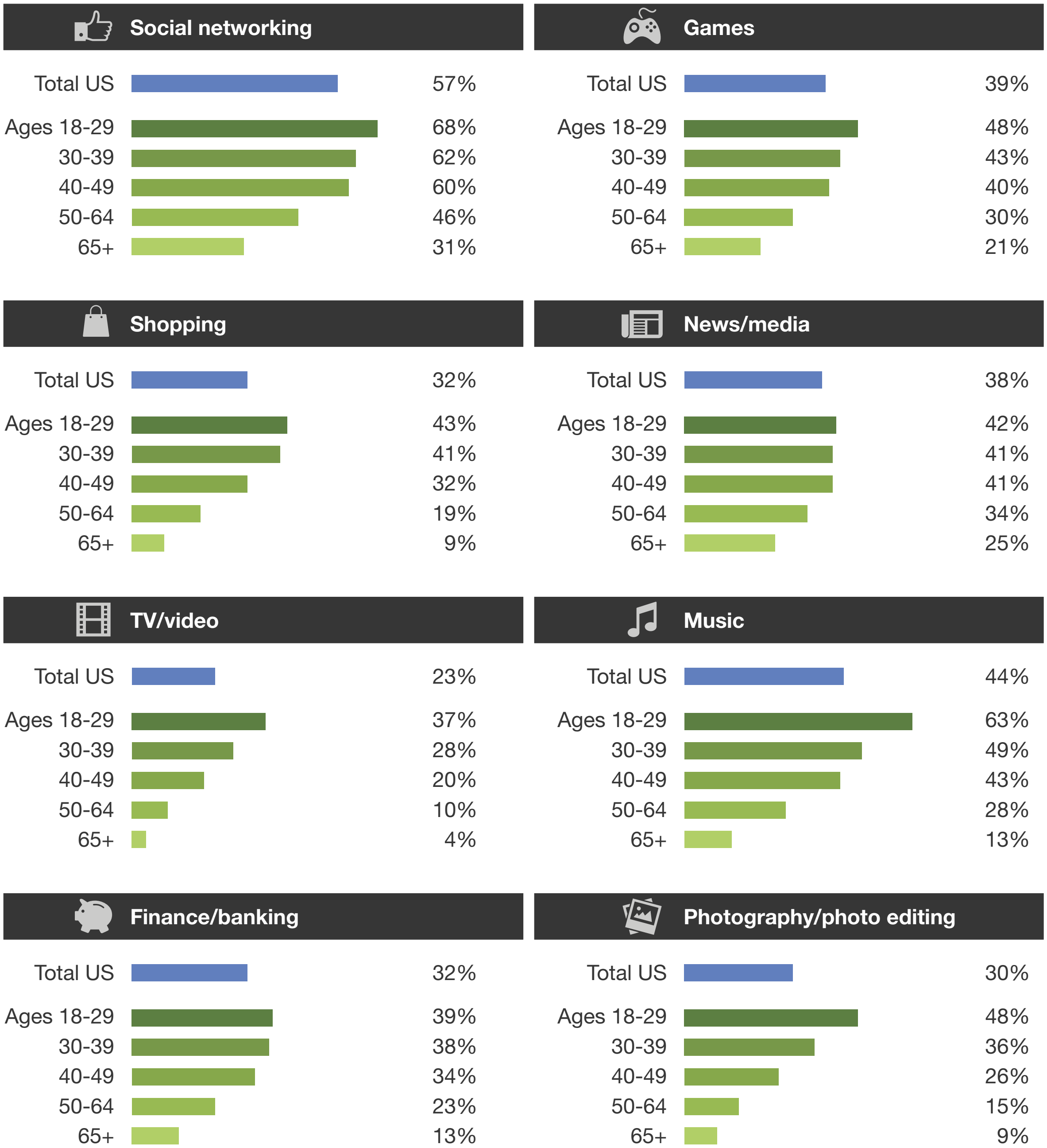
| | Total US | Ages 18-29 | Ages 30-39 | Ages 40-49 | Ages 50-64 | Ages 65+ |
|---|---|---|---|---|---|---|
| Access social networking sites | 69% | 81% | 79% | 70% | 55% | 40% |
| Take photos/videos | 68% | 74% | 66% | 72% | 64% | 52% |
| Send/receive instant messages | 54% | 69% | 66% | 52% | 37% | 24% |
| Upload photos/videos | 39% | 50% | 46% | 41% | 27% | 15% |
| Stream music | 38% | 58% | 44% | 37% | 21% | 9% |
| Receive coupons/promotions | 33% | 40% | 38% | 35% | 26% | 15% |
| Use geolocation | 32% | 39% | 36% | 34% | 26% | 18% |
| Stream video/TV shows | 28% | 45% | 33% | 27% | 14% | 5% |
| Use video chat | 26% | 37% | 31% | 24% | 15% | 9% |
| Scan for viruses | 19% | 17% | 20% | 20% | 22% | 17% |

0%-20% | 21%-40% | 41%-60% | 61%-80% | 81%-100%

Base: 3,594 to 43,723 US online adults (18+) who use a smartphone
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

Smartphone Activities Among US Online Adults (Cont.)

**Categories of apps used on a smartphone at least weekly:**

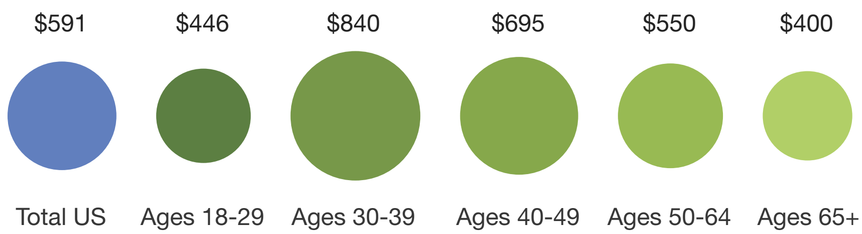



Base: 3,594 to 43,723 US online adults (18+) who use a smartphone
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

## Consumers In Their 30s Spend the Most Online

### Buying products online:

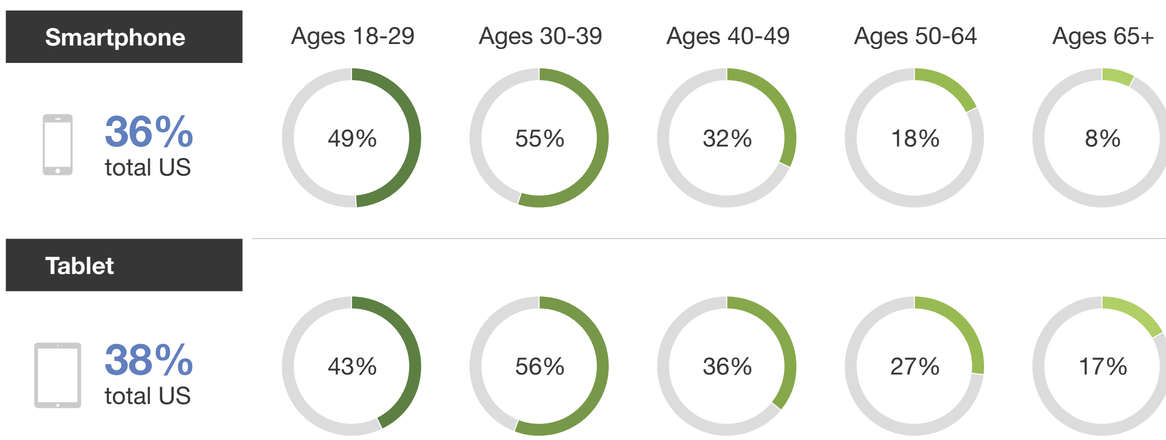
**Total amount spent online in the past three months**




**75%** of all US online adults purchased products or services online in the past three months

Base: 3,594 to 43,311 US online adults (18+) who purchased products online in the past three months
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

### Purchase physical goods at least monthly using a:




Base: 3,594 to 43,723 US online adults (18+) who use a smartphone; 2,845 to 29,175 US online adults (18+) who use a tablet
Source: Forrester Data Consumer Technographics® North American Online Benchmark Survey (Part 1), 2017

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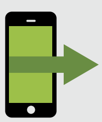

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# Supplemental Material

### Survey Methodology

The Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017, was fielded in February and March 2017. This online survey included 58,000 respondents in the US and 6,011 respondents in Canada between the ages of 18 and 88. For results based on a randomly chosen sample of this size, there is 95% confidence that the results have a statistical precision of plus or minus 0.4% of what they would be if the entire population of US online adults (defined as those online weekly or more often) had been surveyed and plus or minus 1.3% of what they would be if the entire population of Canadian online adults had been surveyed.

Forrester weighted the data by age, gender, income, region, and broadband adoption to demographically represent the US and Canadian online adult populations. The survey sample size, when weighted, was 58,000 in the US and 6,011 in Canada. (Note: Weighted sample sizes can be different from the actual number of respondents to account for individuals generally underrepresented in online panels.) Ipsos Observer fielded this survey on behalf of Forrester. Survey respondent incentives include points redeemable for gift certificates.

You can find more information about the data on the Survey & Data page online. From this page, you will be able to download the Survey Instrument.

### For Technographics Clients: How To Get More Technographics Data Insights

The Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017, includes many additional questions and parameters by which you can analyze the data contained in this report.

We can provide additional insights about the consumers highlighted in this report:

› Who they are (e.g., demographics, lifestyle, and interests).

› What they do (e.g., digital, mobile, and social behaviors).

› Affiliations they have (e.g., brands used and products owned).

› How they feel (e.g., attitudes and interests).

If you wish to subscribe to Forrester's Consumer Technographics services, please contact your account manager or data@forrester.com. If you are an existing Technographics client, please contact your data advisor at data@forrester.com.

## Endnotes

[1] Unless otherwise specified, all the data in this report is from the Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017.

[2] Forrester defines empowered customers as those who are open to new experiences; show increasingly advanced device behaviors and digital expectations; can easily seek, evaluate, and share information; and are willing to take ownership of their decisions to ensure the best possible experience. See the Forrester report "The Rise Of The Empowered Customer."

[3] In 2017, Forrester slightly updated its Mobile Mind Shift Index methodology; it is therefore not directly comparable to previous years' results.

[4] Consumers ages 18 to 29 visit an average of 2.7 social media platforms monthly, compared with 2.0 for all US online adults. For this calculation, we include Facebook, Instagram, Twitter, Pinterest, Snapchat, and LinkedIn. Source: Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017.

[5] The average income of US online adults ages 30 to 39 is $86,000, compared with an average of $73,000 for all US online adults. Source: Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017.

[6] Forrester estimates that 8% of all US online adults have a personal assistant with a speaker (like an Amazon Echo or Google Home). Source: Forrester Data Consumer Technographics North American Online Benchmark Survey (Part 1), 2017. Outside estimates show similar results: It is estimated that Amazon sold 11 million Amazon Echo devices

between mid-2015 and December 1, 2016, mostly in the US. Source: Ángel González, "Amazon has sold more than 11 million Echo devices, Morgan Stanley says," The Seattle Times, January 19, 2017 (http://www.seattletimes.com/business/amazon/amazon-has-sold-more-than-11-million-echo-devices-morgan-stanley-says/).

[7] Source: Forrester Data North American Technographics Online Benchmark Survey (Part 1), Q2 2012 (US, Canada).

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