

TECHNO-JUGGLING: HOW AFFLUENTS MANAGE MULTIPLE DEVICES

Clarissa Season, OMD

Stephen Kraus, Ph.D. and Bob Shullman, Ipsos Mendelsohn

Consumers, particularly Affluent consumers (those living in households with household incomes of \$100,000 or more), have a growing number of options for accessing digital media content. For example, consider that...

- Virtually all Affluents access the Internet via computers or laptops.
- Over 90% of Affluents have a mobile phone; nearly half own a smartphone, a figure that continues to grow strongly.
- Ownership of tablets and e-Readers also continues to rise, with penetration among the Affluent approximately in the 10-15% range.

Today's range of gadgets may someday converge to a single all-purpose device; however, that day is not here yet. Today's Affluent, and tomorrow's consumer in general, is well-armed with an array of devices and platforms for staying connected. Yet relatively little is known about consumer dynamics involved in navigating today's array of device choices. We undertook this research to address key questions such as...

- Who owns what? In other words, what is the demographic and lifestyle portrait of adopters of smartphones and tablets?
- How do consumers manage multiple devices?
- How do consumers allocate occasions and tasks to devices and platforms?
- How does ad receptivity vary across platforms?
- Across devices, how do consumers make choices about accessing content via apps, as opposed to via web browsers?

Affluent Adoption of New Media Devices

We begin by examining ownership of new media using data from the 2011 Ipsos Mendelsohn Affluent Survey. The survey, now in its 35th year, is the sole syndicated survey in the U.S. that concentrates on the valuable marketplace of affluent consumers — those living in households with at least \$100,000 in household income. Just 20% of the U.S. population (58.5 million adults), Affluents account for more than 60% of U.S. income, and 70% of U.S. net worth.

For our purposes, the Affluent make a particularly valuable laboratory for studying how consumers manage multiple devices, as they have been avid adopters of digital media devices such as smartphones and tablets. Attitudinally, they display an enthusiasm for technology; from a lifestyle perspective, they tend to be very digitally literate; and financially, they have the discretionary income to act on their desires. As a result, nearly half own a smartphone, and nearly 10% now own a tablet, figures that have risen significantly in the past year. Among Affluents, Internet use is essentially universal; still, averagely weekly usage rose approximately 20% in the past year, from an average of 25.3 hours to 30.3.

Table 1. Growth in Digital Platforms, 2010 to 2011

	2010*	2011*
Access Internet via computer/laptop	98%	98%
Average hours online weekly	25.3	30.3
Own a...		
smartphone	33%	43%
e-reader	5%	14%
tablet	2%	9%

Source: Ipsos Mendelsohn Affluent Survey. Data are shown among Affluent heads of house; figures among total Affluent adults in 2011 are comparable. Affluent defined as \$100K+ in annual household income.

Who Owns What? Profiling Smartphone & Tablet Owners

Because 93% of Affluents access the Internet via computer, the profile of this group essentially mirrors that of the Affluent population as a whole; they average 44 years old, average nearly \$1 million in net worth, and are split equally between men and women. Smartphone owners constitute nearly half of the Affluent population, and their profile is also similar to that of the Affluent population as a whole, although they do skew slightly younger (averaging 41 years old).

A different profile begins to emerge when we examine tablet owners. Just 9% of the Affluent population, they do not skew younger, like smartphone owners. Tablet owners do, however, have distinctive financial, psychographic and spending profiles. They skew higher than the general Affluent population in terms of household income and net worth; they are also more likely, as one might expect, to be early adopters of a variety of technologies. They are also more likely to purchase at the high-end of a variety of categories, including home, cosmetics, organic food and designer fashions. In fact, tablet owners outspend non-owners in many of the 150+ product and service categories measured in the Ipsos Mendelsohn Affluent Survey.

Table 2: Profiles of Device Owners

		Access Internet via computer	Smartphone owners	Tablet owners
DEMOGRAPHICS	% of Affluent population	93%	45%	9%
	Average age	44.3	41	43.4
	% male	51%	51%	48%
	Average household income	\$188K	\$202K	\$257K
	Average net worth	\$967K	\$936K	\$1,165K
TECHNOLOGY ADOPTION & USAGE	I try to keep up with technological developments	49%	57%	62%
	I enjoy purchasing new gadgets and appliances	40%	50%	56%
	I usually check e-mail or Facebook within 30 minutes of waking up in the morning	33%	41%	44%
	People often ask my advice when they are looking to buy technology or electronics products	23%	31%	35%
LIFESTYLE PROFILE	I'm always looking for new ways to improve my home	51%	53%	58%
	I am willing to pay more for luxury toiletries and cosmetics	25%	29%	35%
	Paying more for organic food is worth it	25%	28%	33%
	I enjoy keeping up with the latest fashions and trends	22%	26%	30%
	I prefer to buy designer or luxury brands	18%	24%	28%

Source: 2011 Ipsos Mendelsohn Affluent Survey (among all adults \$100K+ HHI)

How Affluents Allocate Tasks and Occasions to Devices

Having profiled device owners, we now explore how Affluents use these devices, and in particular how they allocate specific digital tasks and occasions to different devices. To address these issues, we collected data in the June edition of the Ipsos Mendelsohn Affluent Barometer, a monthly online survey of more than 1,000 individuals with annual household income of \$100,000 or more.

We find initially that the computer not only continues to be the most widely used “mode of access,” but also the mode used for the widest range of applications. As detailed in Table 3 on the next page...

- Nearly-three fourths use the computer to check the weather or look up directions
- Roughly two-thirds use the computer to shop online, read content, and access financial accounts
- About half use the computer for social networking, watching videos and playing games

Smartphones and tablets tend to be used for a narrower, more specialized range of applications. Not surprisingly, smartphones are used most heavily for making calls (although 13% of tablet owners responded they have made a call on their tablet, and 9% of computer owners have done so on their computers). Similarly, nearly three-fourths of smartphone owners have sent or received a text message on their phone in the last 30 days (significantly more than the 20-24% who responded doing so via tablet and computer, but those figures for “non-traditional texting devices” are hardly non-trivial). Looking up weather and directions is also frequently done on smartphones.

Finally, tablets owners are most likely to have looked up the weather on their tablet (indeed, this is the top application across all three devices). Fifty-seven percent have read content on their tablets, and 56% have played games (outpacing the 44% who have played games on smartphones or computers). The frequency of video and music-based activities is also relatively comparable across platforms.

*Table 3: % of Affluent performing activity digitally within the past 30 days (among owners of each device; figures over 50% in **bold**)*

	Computer / laptop	Smartphone	Tablet
Checked the weather	74%	64%	60%
Looked up directions or maps	72	54	38
Shopped online	69	17	37
Read content	66	49	57
Accessed financial info & accounts	63	29	33
Visited social networking sites	56	41	50
Watched videos	48	27	45
Played games	44	44	56
Downloaded/streamed music	26	19	25
Sent/received texts	24	72	20
Made phone calls	9	80	13

Source: Ipsos Mendelsohn Affluent Barometer, June 2011

A separate battery of items exploring tablet use were included in the July 2011 Mendelsohn Affluent Barometer, revealing that tablets are most typically used for personal purposes at home. Moreover, it is not as universally “mobile” as one might expect – less than half describe themselves as typically using their tablets while commuting or travelling. Still, among those taking personal trips, 92% take their tablet on those trips. Among those taking business trips, 80% typically take their tablets.

Table 4: How and Where Tablet Owners Use Their Tablets

Personal vs. Business Use	I use it entirely for personal use	51%
	I use it mostly for personal use, but also some work use	18
	I use it equally for work and personal use	15
	I use it mostly for work, but some personal use also	10
	I use it entirely for work	5
Typical Usage Locations	I typically use it at home	88
	I typically use it at the office	22
	I typically use it while travelling or commuting	47

Source: Ipsos Mendelsohn Affluent Barometer, July 2011

The Decision Process: How Affluents Select Among Multiple Devices

We utilized a series of open-ended question with owners of multiple devices to gain a more nuanced understanding of how they allocate tasks and occasions to specific devices. For some, there is a clear pecking order of devices, with the computer preferred above all, regardless of activity or occasion.

- “I use a computer if at all possible (desktop) as I prefer the larger screen and trackball mouse.”
- “I would rather use my laptop for everything because of the text size but I don't carry it with me. If my laptop is available I will always use it.”
- “Prefer the computer for all [tasks]. Use tablet and iPhone when computer is not available.”
- “Generally speaking, I use computer in most of my daily tasks.”
- “Computer first, smartphone second.”

Other Affluents have a clear sense of “allocating specific tasks to preferred devices.” Typically the computer is the primary “workhorse,” smartphones are for mobile activities, and tablets are more heavily used for entertainment.

- *“I do financial work on the computer. I use the smartphone for doing things away from home. I use the tablet mostly for entertainment.”*
- *“I really only use the smartphone when away from home for something quick. The tablet is handy at home or away for something requiring more time. I also use the tablet in the kitchen for recipes or projects/patterns in my sewing room. The desktop is best when viewing longer videos or doing a lot of word processing, really anything that takes more time as the large screen and keyboard is more comfortable.”*
- *“If it is a long task that requires a lot of input I will use my computer. My phone is basically for phone calls, and a few texts, and my tablet is for games, and for using the internet on the road.”*
- *“Long business documents will always be done in my computer. Smartphone is mainly for phone calls, texting and quick searches. My tablet is always for accessing info on the go, particularly when I travel and also when I want to relax, read, or just browse.”*
- *“Whichever is the most convenient. Smartphone tends to be for quick tasks when nothing else is nearby and I don't plan on doing anything after it. Tablet is more for when I am sitting in an area not really conducive to keyboard and mouse usage and a computer is great for when I have a task that could take a long time and I need great flexibility of input and power”.*
- *“The desk top is for household business, my smart phone is for quick use and my tablet is pure pleasure.”*

Often the deciding factor is more mundane – what happens to be on, nearby, and/or available.

- *“Which one is available....charged....at hand....”*
- *“Availability -because I share the computer with my spouse and I share the ipad with my daughter.”*
- *“Depends on which one is closer and what i am doing. sometimes others are on the other devices and i use what ever is not in use.”*

Computers are preferred for printing (and sometimes viewing Flash content).

- *“If I need to write a document and print it, I must involve the computer. Other things can be done on the smartphone or tablet.”*
- *“If it needs a flash player must be on the computer or if I need to print something will do from computer. Smartphone when out and about.”*

Most Tablet Owners Use Apps and Browsers

When asked how they prefer to access information on their tablet, the majority of Affluents (59%) use a combination of apps and browser-based experiences. Many prefer apps for frequent activities, while preferring browsers for less frequent activities or more open-ended searching.

- *“Apps are great for things I do frequently. Things that I do less often do not need an app.”*
- *“Apps tend to be faster if you know exactly what you want but using the browser allows for wider search results.”*
- *“Because some things work better through apps, but some things don't have developed apps yet, or they apps are faulty so it's easier to use a web browser.”*
- *“Depends on the site. Some are easier to use as an app. Using Safari is not as quick. But also do not want 50 apps on my home pages.”*

In contrast, 21% prefer app-based experiences. Many prefer apps because they provide a more polished, and often more interactive, interface (*“because [apps] usually provide a more interactive experience”*). Some simply prefer the novelty of apps (*“I like to try something different”*). Still others find that apps provide a faster and more convenient experience (*“It is easier to navigate and faster to get to the information needed”* -- *“The ease of use. I click and you have quick access to content”*)

Twenty percent of Affluent tablet owners prefer browser-based experiences. Some of these individuals simply less experienced with apps (*“I am not that familiar with apps”*) while others have not yet seen the value in apps (*“Apps have not proven to be that useful for me so far”*). And certainly some are turned-off by the fees often associated with apps. Many simply cited the desire for a streamlined and uncluttered experience (*“I don't want a bunch of programs on my tablet”*).

Like Tablet Owners, Most Smartphone Owners Also Use Apps and Browsers

As with tablets, most smartphone owners (53%) prefer a balance of app-based and browser-based experiences. As with tablets, those who prefer a balance often use apps for frequent activities, and a browser for less common activities.

- *“Apps are faster to load and more tailored to what I want more often, but internet web browser clearly has more sites than the app can provide.”*
- *“Depends on how frequently I go to the site as to whether or not I download an app.”*

In addition, many who use both apps and browsers prefer apps if the apps are high-quality:

- *"Because, some apps are fantastically useful, such as weather, moon phase, etc. Others are a waste of time."*
- *"Depends on the applications and how good they are and if passwords are required and if the phone 'remembers' passwords or not - big hassle to input pw's while on the go."*
- *"For some apps that are poorly written it may be easier to use a mobile version of the website, or for a site that I don't visit frequently I don't want to have 500 apps but only use 10 of them regularly."*

Those who prefer browser-based experiences cite reasons such as...

- Desire for an uncluttered experience: *"I don't want to crowd up my phone with apps that could have bugs"*
- Inability to download apps onto a Blackberry or other work-provided smartphone
- Concern about apps slowing performance: *"I don't like to load apps onto the phone. Too many will slow it down."*
- Simplicity: *"Apps are extra work."*
- Greater sense of control: *"I have more control and surf beyond initial topic."*
- Privacy concerns: *"Rather go directly to the source. With an app, I'm giving up more information than I prefer to."*

Those who prefer app-based experiences cite reasons such as...

- More polished interface: *"They work best to view the materials and are better formatted for the 3.5" screen. The browser is not as easy to view and utilize the materials on the websites."*
- Speed: *"They are faster and open immediately. The web takes time to download and you have to navigate multiple pages, each of which has to download so it's slow. Apps are speedy and better organized."*
- Novelty: *"I just like trying new games/apps on the phone."*

Summing Up

The results reflect the complexity of Affluent lives today. Their adoption of new technologies continues to increase, and the result is often the need to manage multiple devices. For the growing number with multiple on-ramps for accessing digital content, the choice of device and software platform involves complex and nuanced decision-making processes.

Computer and laptops remain the most widely used platforms for accessing the Internet, and often these "traditional" computing devices remain the primary workhorses even for those with multiple devices.

Smartphones are obviously used heavily for phone calls and texting, but over half of smartphone owners have checked the weather and looked up directions on their smartphone in the past 30 days. Still, their range of uses is fairly wide; over 40% of smartphone owners have recently read content, played games, or visited social networking sites on their smartphones.

Tablets are obviously the most recently invented of the devices we studied, and many of their users are still experimenting with a variety of uses to discover the most fruitful uses of their tablets. Their use thus far is largely personal in nature, and although tablets are usually taken on trips, their use is more heavily concentrated in the home than one might expect. Tablet owners are also notable for their attractive financial profile (skewing higher on income and net worth), and for their interest in consumption, acquisition, and quality across a variety of categories.

The choice of app-based or browser-based experiences is complex, and is not necessarily evolving in the direction of "apps for everything and apps for all." For both smartphones and tablets, most users prefer to use both experiences.

For advertisers, it is particularly worth noting that Affluent consumers appear to be relatively receptive to advertising on digital devices. Consider that about 60% of Affluents tell us they have considerable or some interest in advertising that appears in traditional media channels such as magazines, newspapers and television; nearly as many (57%) have considerable or some interest in advertising on e-readers, and just slightly fewer (45%) express a comparable level of interest in tablet or smartphone advertising.