

A Fresh Take On

Staying ahead of evolving dynamics in the marketplace and our culture

The Opportunities to Engage Adults 50+ in Streaming Video



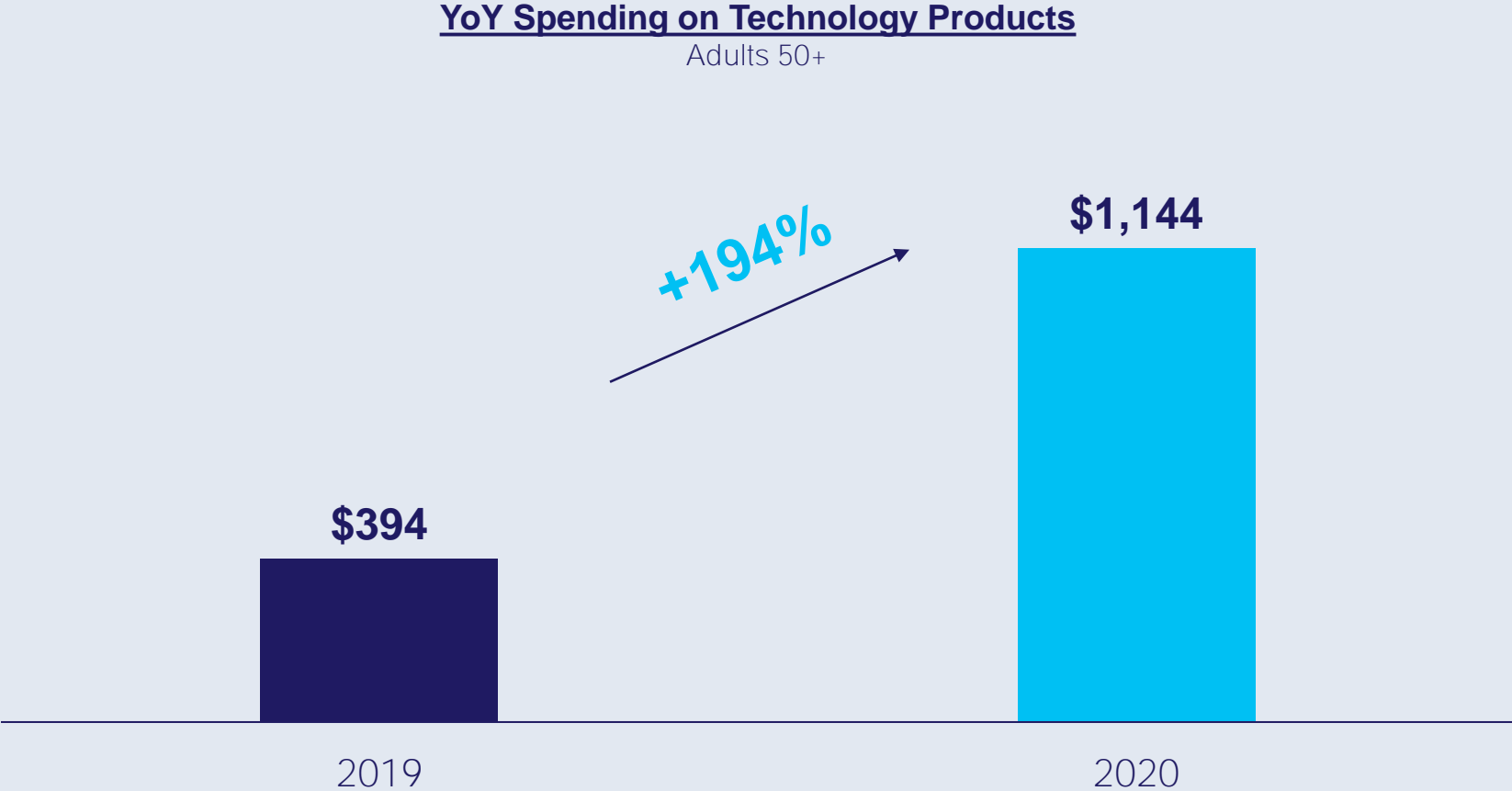
During COVID, adults 50+ invested heavily to modernize their video devices and enhance their **'at-home' connectivity. These upgrades further accelerated this segment's adoption of video streaming** which had already begun pre-pandemic.

As adults 50+ embraced the discovery of new shows and streaming platforms that offer library and exclusive content beyond their MVPD subscription, the growth of ad-based services is providing marketers with greater opportunities to reach a broader range of consumers in premium programming across video platforms.

Tech Adoption and Video Streaming Has Accelerated for Adults over 50



In order to modernize, update or create better online experiences for themselves during the pandemic, older adults almost tripled their annual spending on technology in 2020



Source: AARP, *2021 Tech Trends and the 50-Plus: Top 10 Biggest Trends*, April 2021. Survey was conducted between September 25 – October 20, 2020 (n=2,271 adults 50+). Technology products include smartphones, smart TVs, Bluetooth headsets/ear buds, laptop computers or netbooks, tablets, wearable devices, home assistant devices, smart home technology / security, desktop computers, home audio equipment, digital cameras, gaming systems, e-readers, GPS trackers designed to monitor/share location, home health & safety devices, virtual reality devices and others.

Driven by the desire to upgrade their video devices, Smart TVs became the second most popular tech purchase against adults 50+ and are now owned by two-thirds (64%) of the demographic

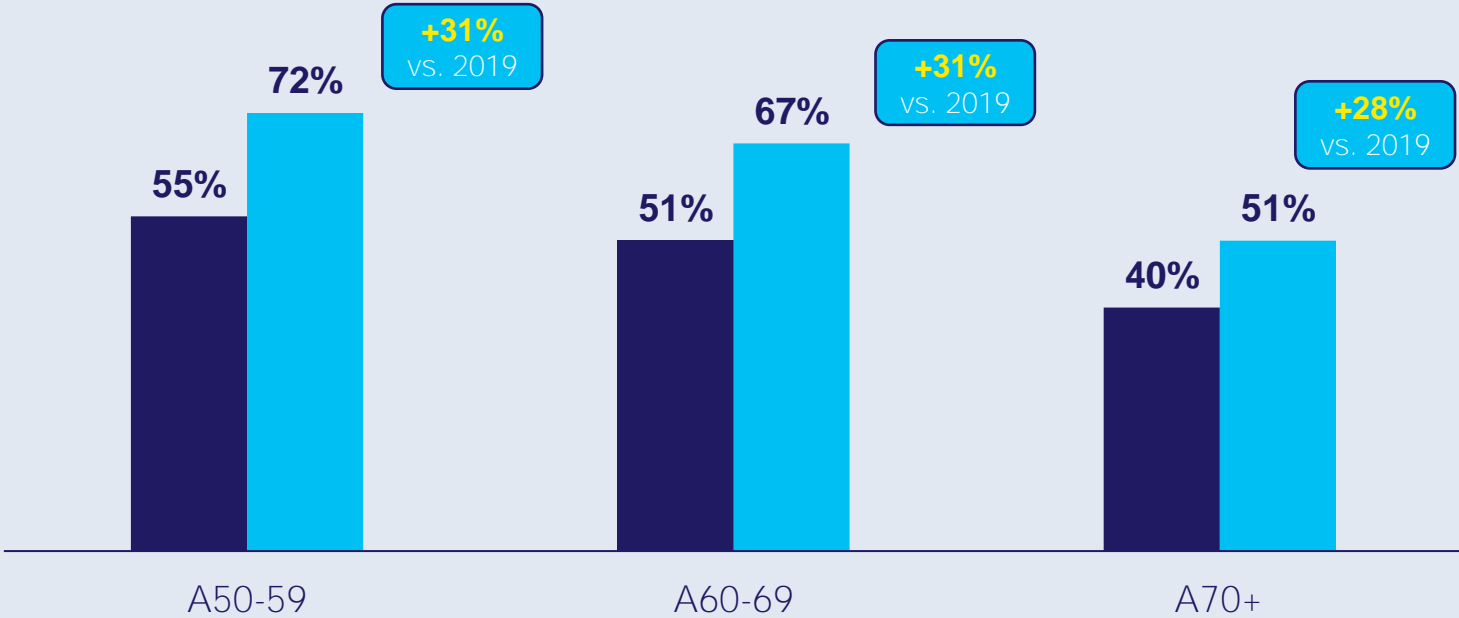


64%

of adults 50+ owned a Smart TV by the end of 2020 compared to **49% in 2019**

% of adults 50+ who own a smart TV

■ 2019 ■ 2020



Source: AARP, 2021 Tech Trends and the 50-Plus: Top 10 Biggest Trends, April 2021. Survey was conducted between September 25 – October 20, 2020 (n=2,271 adults 50+). 2019 respondents were broken out into the following age groups: 50-59 (n=972), 60-69 (n=848), 70+ (n=778). 2020 respondents were broken out into the following age groups: 50-59 (n=808), 60-69 (n=798), 70+ (n=650). Note: Smartphones were the most popular tech purchase during the pandemic according to AARP 2021 Tech Trends report.

This newfound connectivity enabled adults 50+ to discover new shows and new streaming services, a curiosity that will continue post-pandemic

COVID-related streaming behaviors among adults 50+



62%

Discovered new shows they didn't even know existed



34%

Started using a new streaming service as a result of COVID-19



94%

Are likely to continue using the new streaming service they added as a result of COVID-19*

Source: VAB analysis of MRI-Simmons Cord Evolution Study, April 2021. *Base = 'started using new streaming service as a result of COVID'.

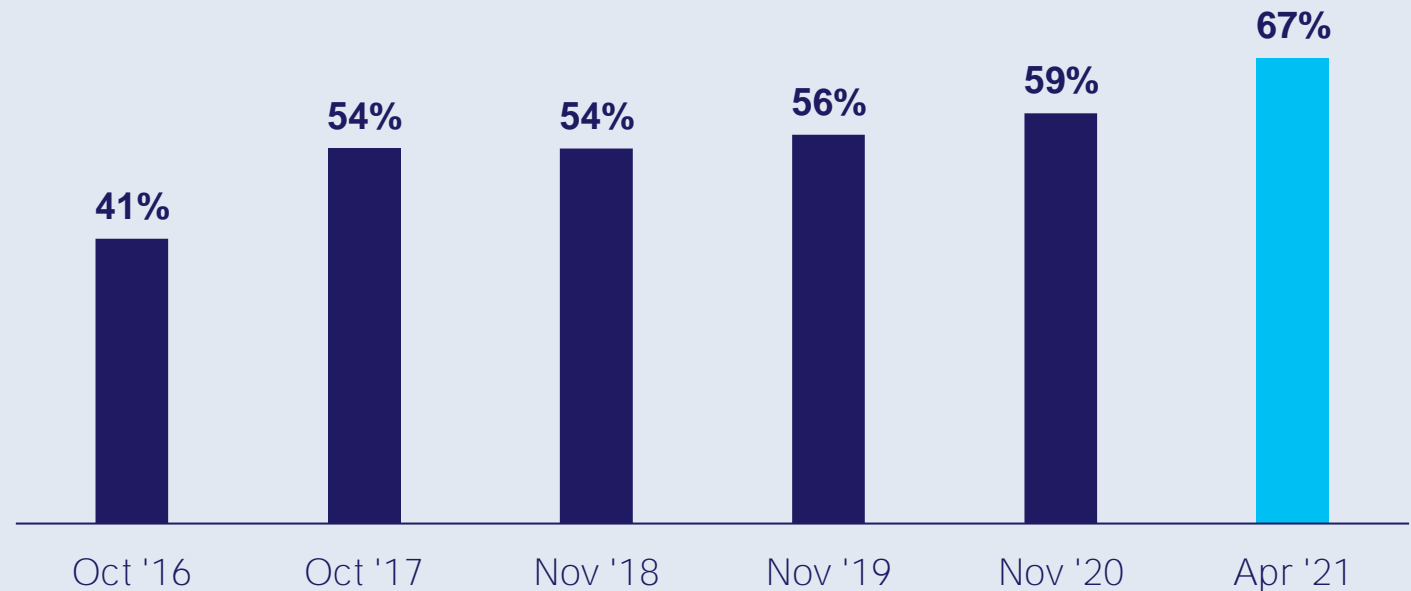
With greater access to connected video devices and an openness for discovery, streaming among adults 50+ has been steadily increasing over the last few years and almost one-third are streaming daily



3 in 10

of adults 50+ **stream entertainment daily**
(up from 18% in 2019)

% of adults 50+ that have 'streamed in the past 12 months'

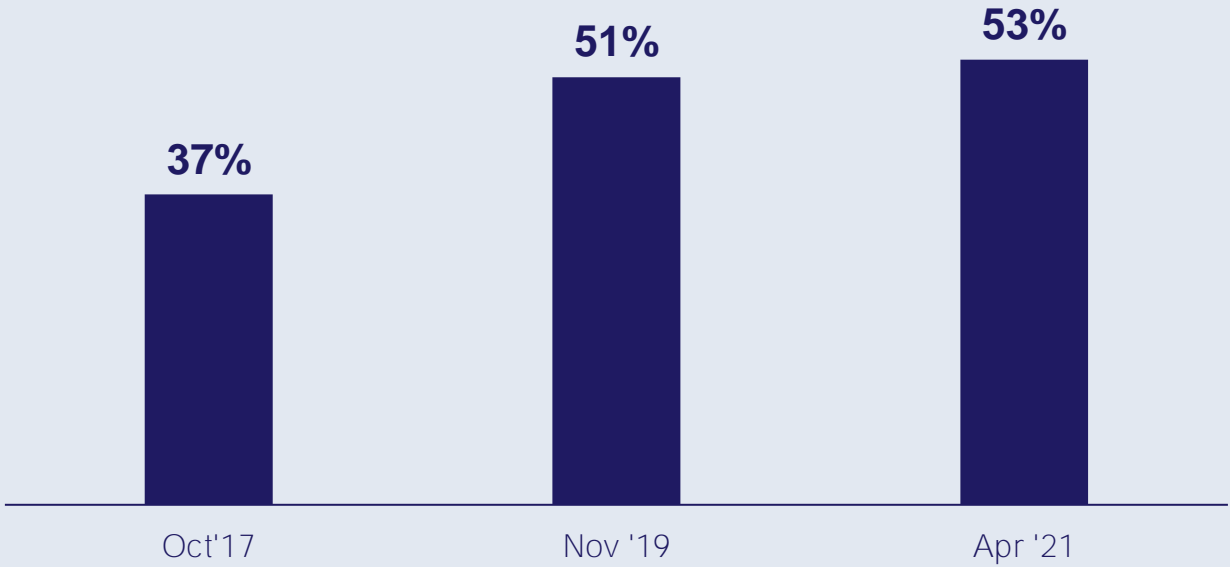


Source: AARP, *2021 Tech Trends and the 50-Plus: Top 10 Biggest Trends*, April 2021. Survey was conducted between September 25 – October 20, 2020 (n=2,271 adults 50+). VAB analysis of MRI-Simmons Cord Evolution Study, October 2016, October 2017, November 2018, November 2019, November 2020, July 2020 & April 2021.

As streaming increases, adults 50+ are more likely to view it as a complement to linear TV because of the value they gain from additional entertainment content



'I think of streaming as an addition to watching traditional TV, not a replacement'
% of adults 50+ who agree



Source: VAB analysis of MRI-Simmons Cord Evolution Study, October 2017, November 2019 & April 2021.

Adults 50+ view streaming as a complement to linear TV because they turn to these services specifically for access to library and exclusive, original content not typically available elsewhere

What drives you to want to use / subscribe to a new streaming service?

% of adults 50+ who agree with the following



Library content

41%

Access to movies (old & new releases)



Original content

32%

Access to original series exclusive to service



Library content

25%

Access to series that no longer air on traditional TV networks
(e.g., Friends, How I Met Your Mother, Friday Night Lights, etc.)



Live content

20%

Access to series that are currently airing on traditional TV networks
(e.g., The Walking Dead, The Good Place, This Is Us, etc.)



Live content

14%

Access to sports events the service streams



Live content

11%

Access to news content the service streams

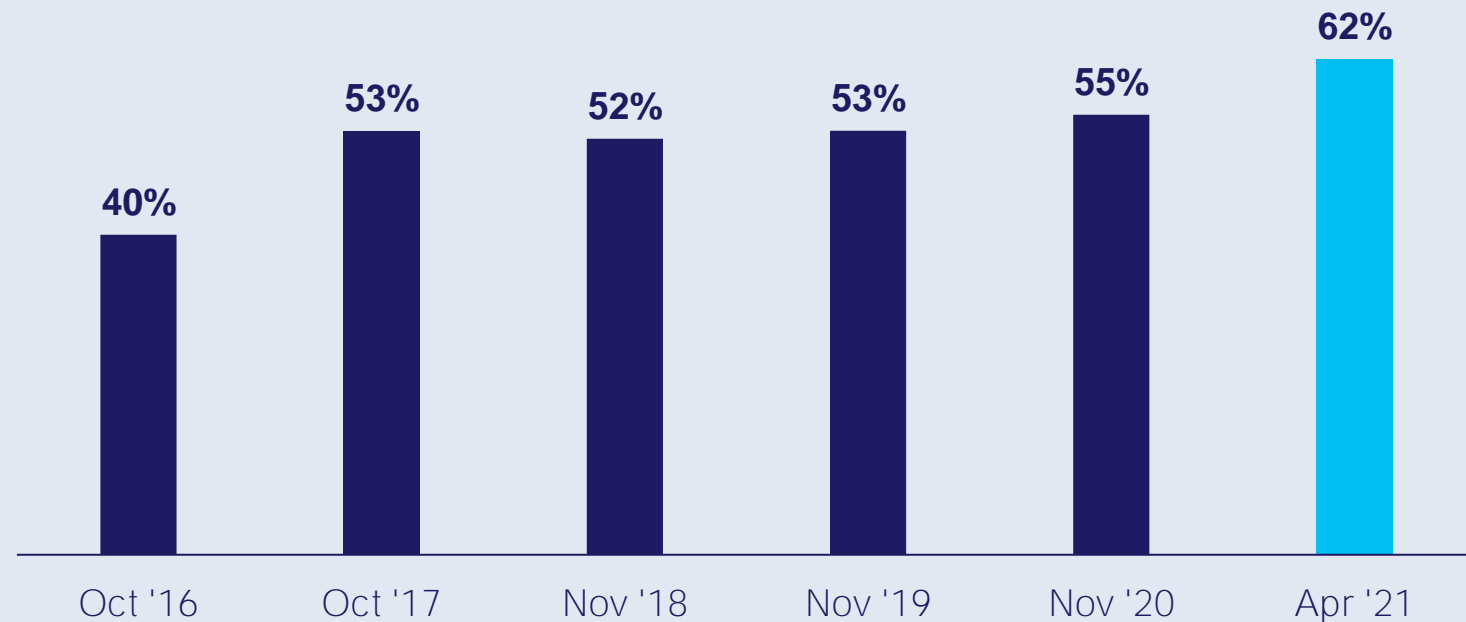
Source: VAB analysis of MRI-Simmons Cord Evolution Study, April 2021.

Nearly two-thirds of adult 50+ MVPD subscribers are also streaming as this segment stacks video services in search of more exclusive content

72%

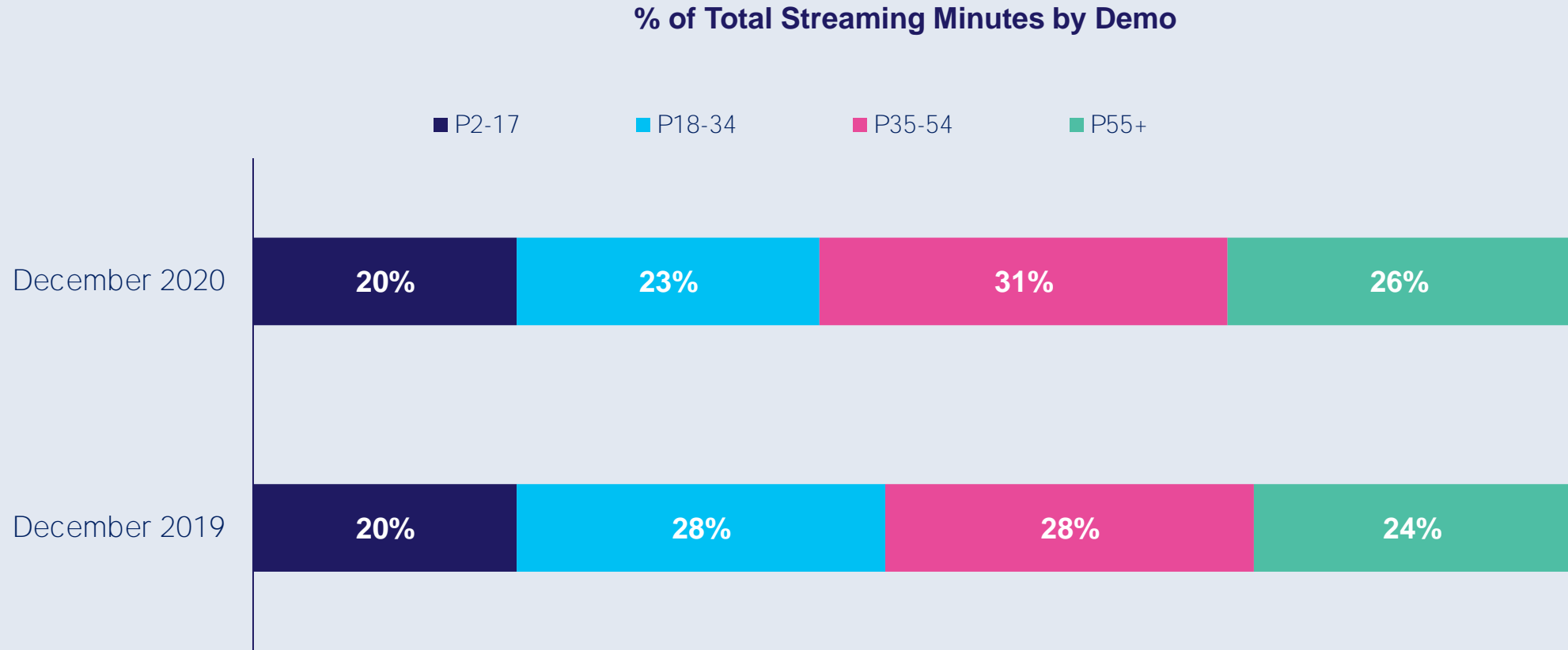
of adults 50+ are MVPD subscribers

% of adults 50+ MVPD subscribers who have 'streamed in the past 12 months'



Source: VAB analysis of MRI-Simmons Cord Evolution Study, October 2016, October 2017, November 2018, November 2019, November 2020 & April 2021.

With the growth in smart TV penetration, OTT usage and population size, adults 55+ now collectively spend more time streaming than adults 18-34



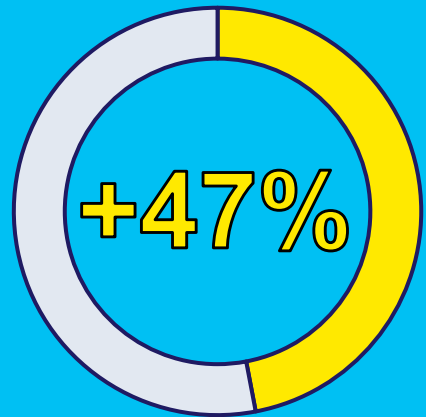
Source: Nielsen CES 2021. Nielsen, Streaming Meter Homes: Average Weekly Streaming Minutes (Weighted), P2+, Total Day.

The Ad Opportunity for Advertisers

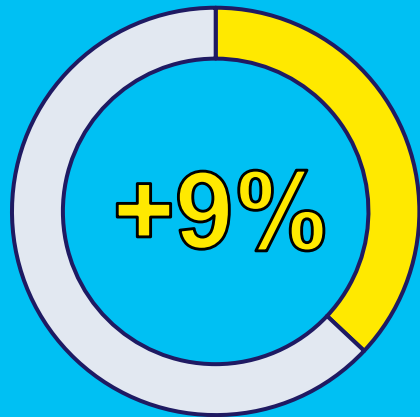


Motivated by the pandemic and a desire for more content, older audiences are expanding into new platforms, especially free streaming services, providing marketers more avenues to reach a broader range of consumers

% change in A50+ streamers who have access to a...
Nov '18 vs. Apr '21



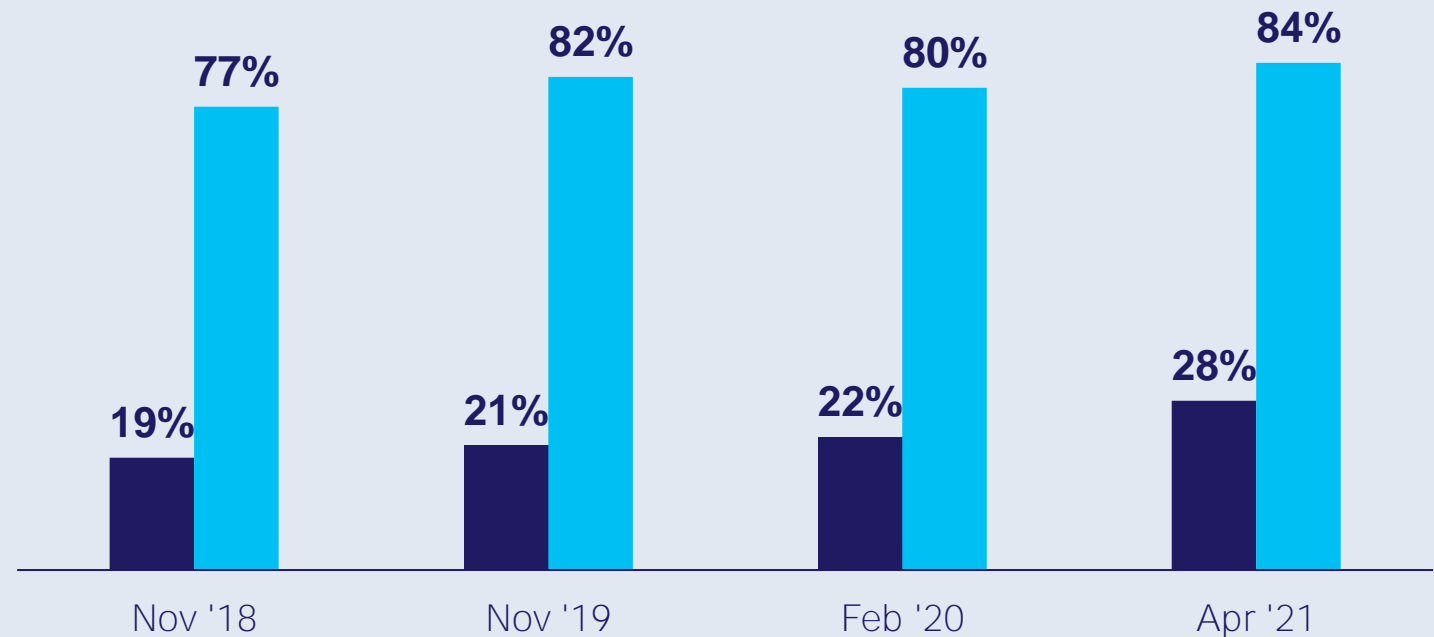
Free / Ad-Based
streaming service



Subscription
streaming service

% of adults 50+ streamers that have access to a...

■ Free / Ad-Based Streaming Service ■ Subscription Streaming Service

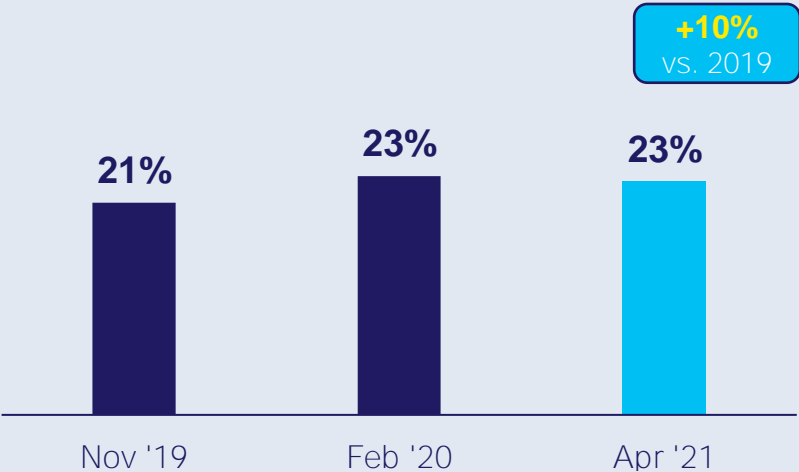


Source: VAB analysis of MRI-Simmons Cord Evolution Study, November 2018, November 2019, February 2020 & April 2021. Base = 'Streamed in the past 12 months'. Free Streaming services (e.g., Pluto TV, YouTube, Tubi, etc.). Subscription services may include ads or limited ad load tiers.

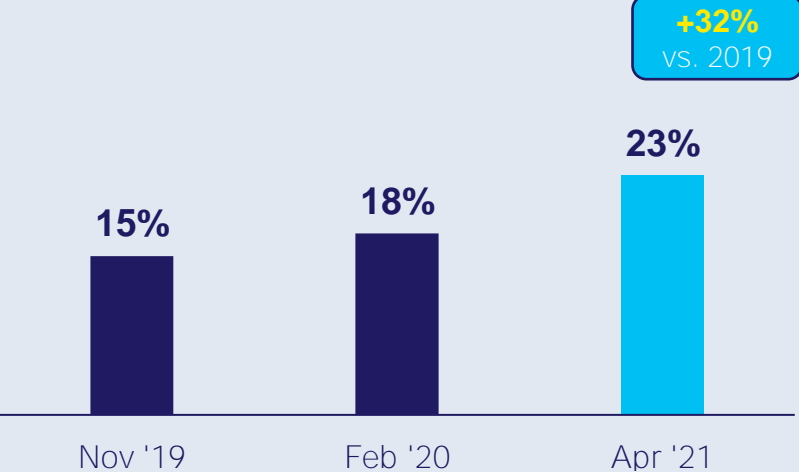
Older audiences are also increasing their usage of 'TV Everywhere' apps, TV network apps and vMVPDs

► Nearly **one-third (30%)** of adult 50+ MVPD subscribers have used a 'TV Everywhere' or TV network app*

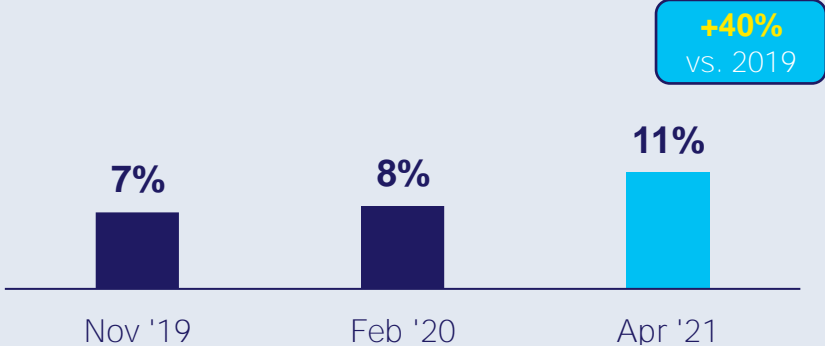
% of adults 50+ that have used a TV Everywhere app in the past 12 months*



% of adults 50+ that have used a TV network app in the past 12 months**



% of adults 50+ that have used vMVPDs in the past 12 months**



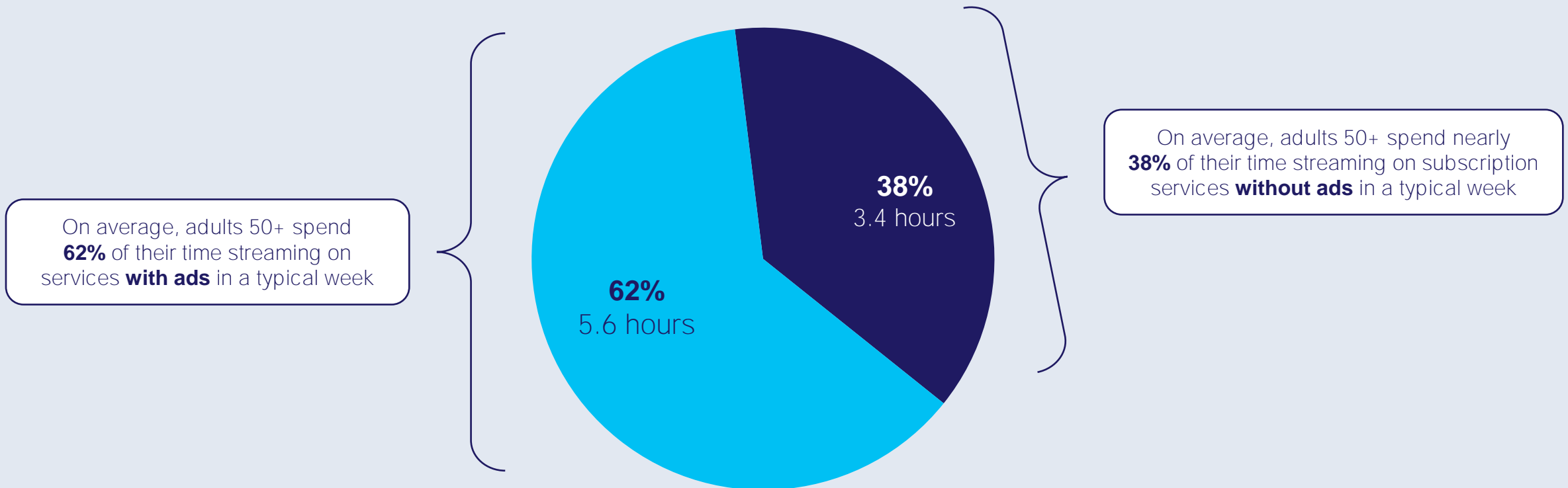
Source: VAB analysis of MRI-Simmons Cord Evolution Study, November 2019, February 2020 & April 2021, Adults 50+. TV network apps include 'through free TV network apps' and 'through paid TV network apps'. *Base: Households that subscribe to a cable / satellite / fiber optic service. **Base: Streamed in the past 12 months.

On average, adults 50+ spend nine hours with video streaming per week, over five of which are through services with at least limited ad loads

Average % of time spent with streaming in a typical week by platform

A50+

■ Paid Subscription Streaming Services w/out Ads ■ Streaming Services w/ Ads (Paid / Free)



Source: VAB analysis of MRI-Simmons Cord Evolution Study, April 2021. Percentage breakout represents average time spent in a typical week with various sources used to watch content. Average hours represents 'hours of time-shifted streaming in typical week' and 'hours of live streaming in typical week'. 'Paid Subscription Streaming w/out Ads' includes pure paid subscription services (e.g., Netflix, Prime Video, HBO Max, Commercial-free Hulu, etc.). 'Streaming Services w/ Ads (Paid/Free)' includes Paid Subscription Streaming w/ Ads (e.g., versions of Hulu, Discovery+, Peacock, etc. with ads/commercials), Free Streaming services (e.g., Pluto TV, YouTube, Tubi, etc.), Streaming Cable TV network apps (e.g., A&E app, Bravo app, E! app, etc.) and Streaming Broadcast TV network apps (e.g., ABC app, NBC app, CBS app, FOX app, etc.).

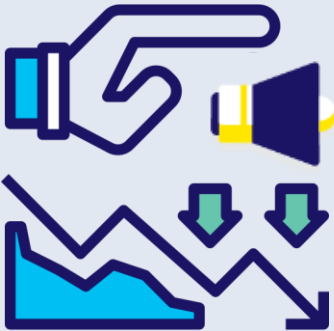
While two-thirds of adults 50+ prefer streaming free content with ads, they are much less likely to see ads that are relevant to them which creates a strategic opportunity for savvy marketers to engage with this audience

% of adults 50+ streamers who agree with the following statements



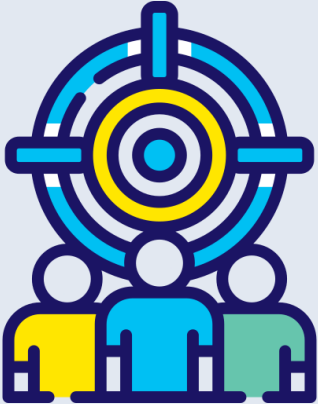
63%

'I prefer streaming free video content with ads/commercials instead of paying for a subscription without ads / commercials'



89%

'I like that streaming services have less ads / commercials'



32%

'The ads / commercials I see on streaming services I use are relevant to me'

(vs. 44% of A18-34)

Source: VAB analysis of MRI-Simmons Cord Evolution Study, April 2021. Base = 'Streamed in the past 12 months.'

Key Marketer Takeaways

- ▶ Over two-thirds of all adults 50+ have streamed content in the last year while they modernized their video **devices and discovered 'new' content across additional platforms**
- ▶ Adults 50+ view streaming as a complement to linear TV and their existing MVPD subscription as they turn to these services for access to library content and exclusive programming
- ▶ As the adult 50+ audience grows among ad-based streaming services, this provides marketers more viable cross-platform opportunities to reach a broader range of consumers and underscores the importance of an audience-based (vs. demo-based) multiscreen TV buying approach

Creators

Leah Montner-Dixon

Associate Insights Director
leahm@thevab.com

Karolina Guillen

Insights Manager
karolinag@thevab.com

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Five Fast Facts on

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Helping Marketers Find More Fish in the Streaming Ecosystem

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