

Market Snapshot:

Consumer Health Attitudes and IoT Home Living Features

A Parks Associates Snapshot



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Consumer Health Attitudes and IoT Home Living Features

The United States population is greying, with more baby boomers entering retirement age every day. By 2050, the number of Americans ages 65 and older will double to over 80 million.

At present, the nation is ill-equipped to handle the growing number of elderly, many of whom will have specific health needs and may lack sufficient retirement funds.

Companies across industries are developing solutions to help seniors live comfortably in their own homes.

- **Home automation solutions** offered by companies such as ADT and Alarm.com expand independent living and remote care options.
- **On-demand services** enable transportation, home maintenance, and grocery delivery.
- **Autonomous vehicles** expand autonomy and mobility.

Consumers are willing to adopt smart and IoT solutions to improve their health—adoption of connected health devices exceeded 45% of U.S. broadband households in the first half of 2018.

These solutions have a vital role to play in making aging consumers comfortable and safe, providing affordable and convenient solutions for family caregivers and improving peoples' quality of life.

This rise comes as consumers are growing more pessimistic about their personal health management and retirement prospects. New connected technologies can help allay that anxiety and save expenses for both patients and providers in the long term.

This market snapshot addresses consumer and caregiver attitudes towards personal health, future retirement expectations, and perceptions of home living features and alerts.

Consumer and Caregiver Attitudes and Expectations

- Consumer Attitudes and Personal Health
- Caregivers and their Personal Health
- Planning for The Future
- Chronic Health Conditions and Retirement
- Staying at Home: Meeting Expectations

Home Living Features and Health Monitoring

- Features Valued By Consumers
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- Willingness to Pay \$15 for Home Living Features
- Caretakers' Willingness to Pay for Home Living Features
- Caregivers and Receiving Alerts
- Caregivers and IoT Adoption

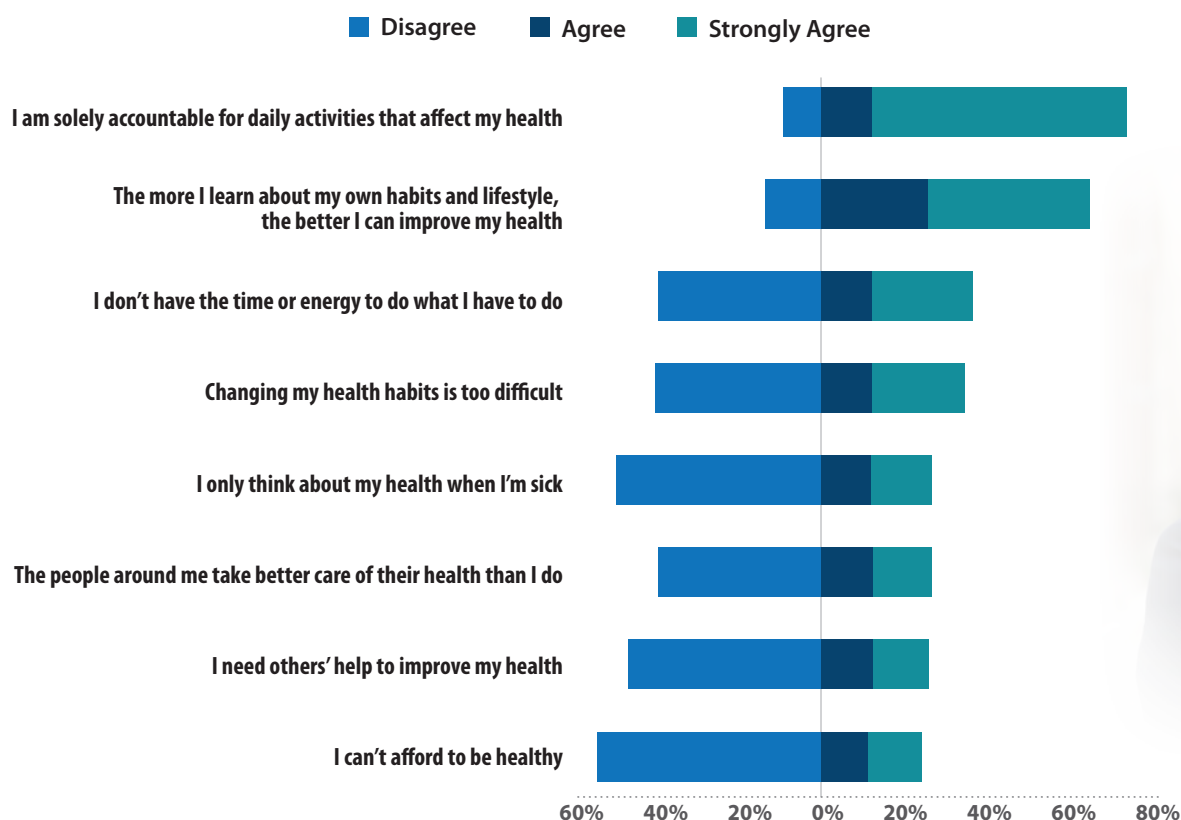
Consumer Attitudes and Personal Health

A majority of consumers hold proactive attitudes about their health.

Three-fourths of U.S. broadband households take responsibility for the health implications of their daily activities, indicating a robust market for self-managed connected health solutions, but they need to be quick and easy to use to ensure long-term commitments.

Consumer Attitudes About Managing Personal Health

U.S. Broadband Households



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Roughly one-third of consumers feel they do not have the adequate time or energy for the necessary actions to improve their health.

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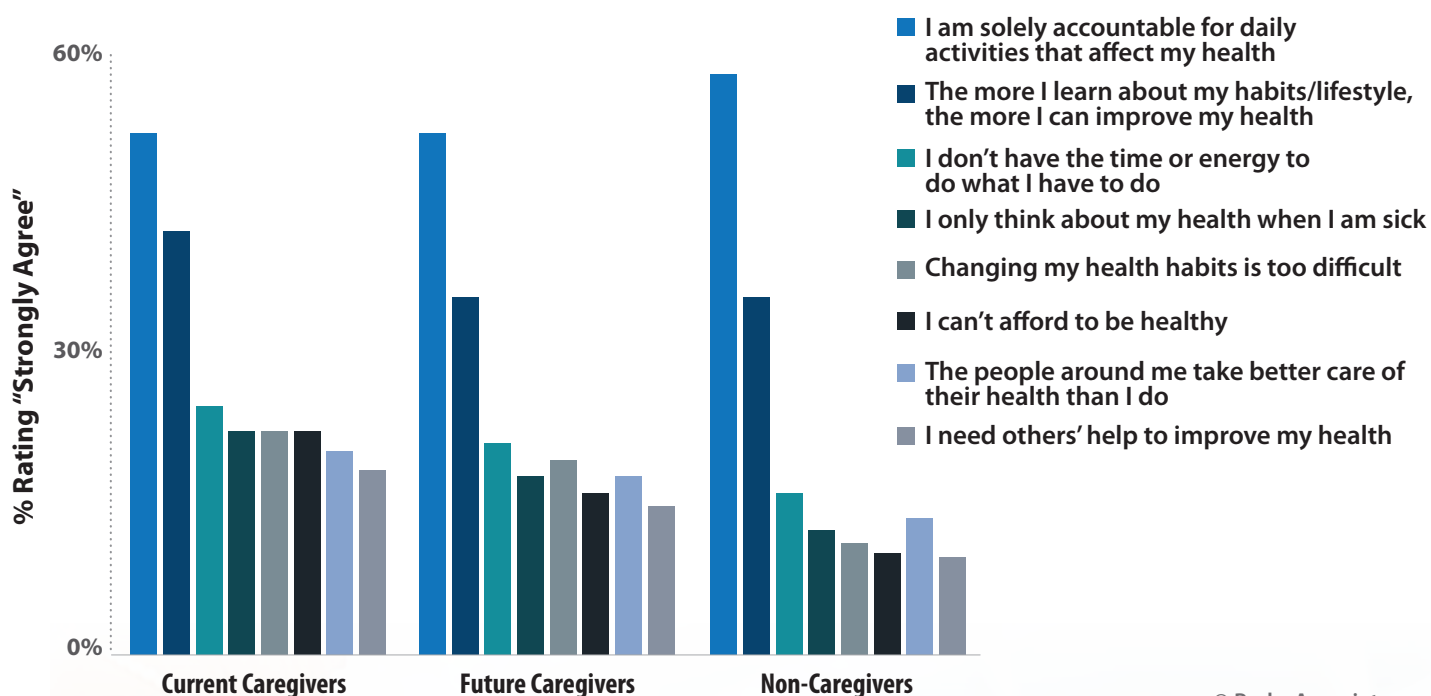
Caregivers and Personal Health

Providing care for another, or the future prospect of taking on that role, increases the time challenges for one's personal health—20% of caregivers strongly agree with the statement, “I don't have the time or energy to do what I have to do,” compared to 14% of non-caregivers.

This time crunch likely helps to make caregivers prime candidates to adopt connected health services not only for the people in their care but also for themselves—45% of caregivers are interested in paying for a home living service package for their loved one, and 47% of caregivers are interested in paying for one or more services for themselves.

Caregiver Attitudes towards Managing Personal Health

U.S. Broadband Households



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Current caregivers are more likely to own connected health and smart home devices than non-caregivers, so these consumers are already looking for solutions to make their healthcare tasks easier.

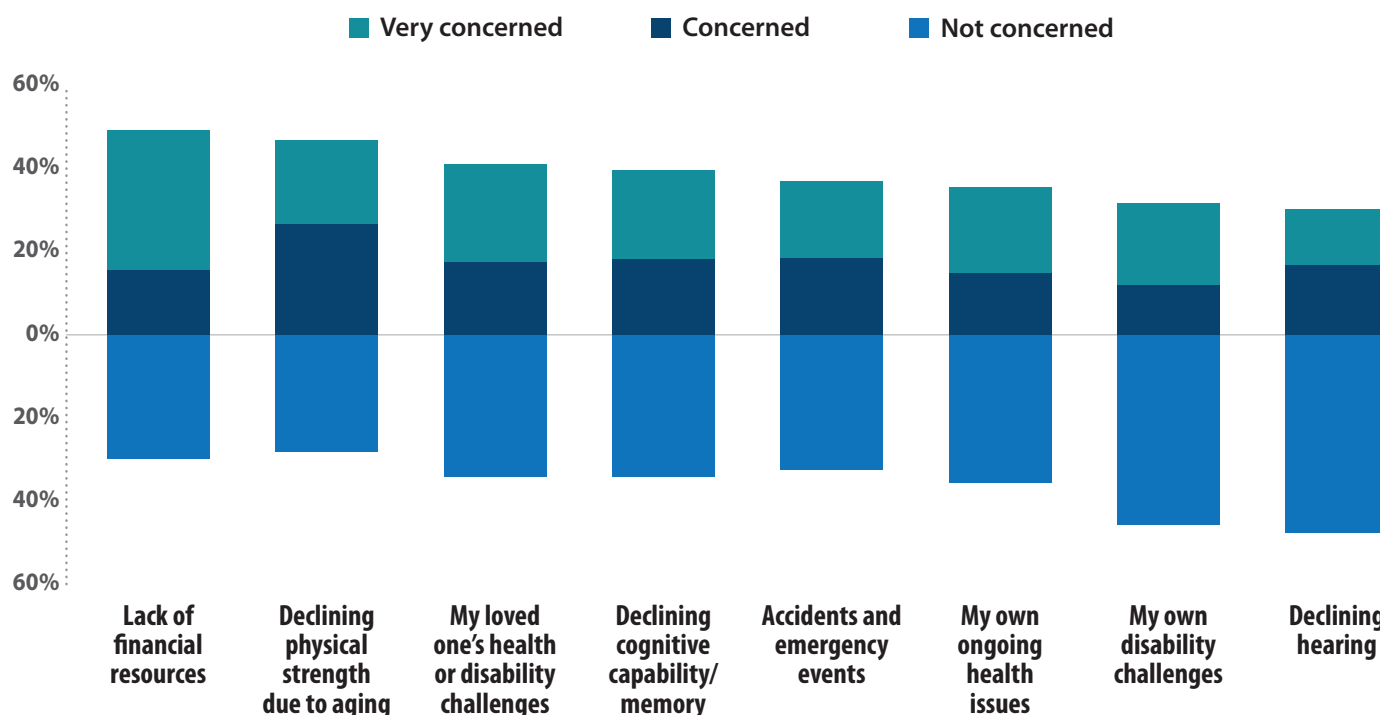
Planning for the Future

U.S. consumers ages 40 and older are a key demographic for both retirement planning and smart home industries. Influencing their health-related behaviors and activities now can reduce long-term costs for their insurance providers.

Roughly 60% of U.S. broadband households have a head of household 40 years or older, and 50% of them are not excited about the prospect of retirement. **Solutions that make a direct connection between positive health behaviors and financial savings will appeal to them.**

Concerns About Specified Events Disrupting Retirement Plans

U.S. Heads of Household Ages 40 and Older in U.S. Broadband Households



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Nearly 50% of consumers 40 and older are concerned that a lack of financial resources will disrupt their retirement plans.

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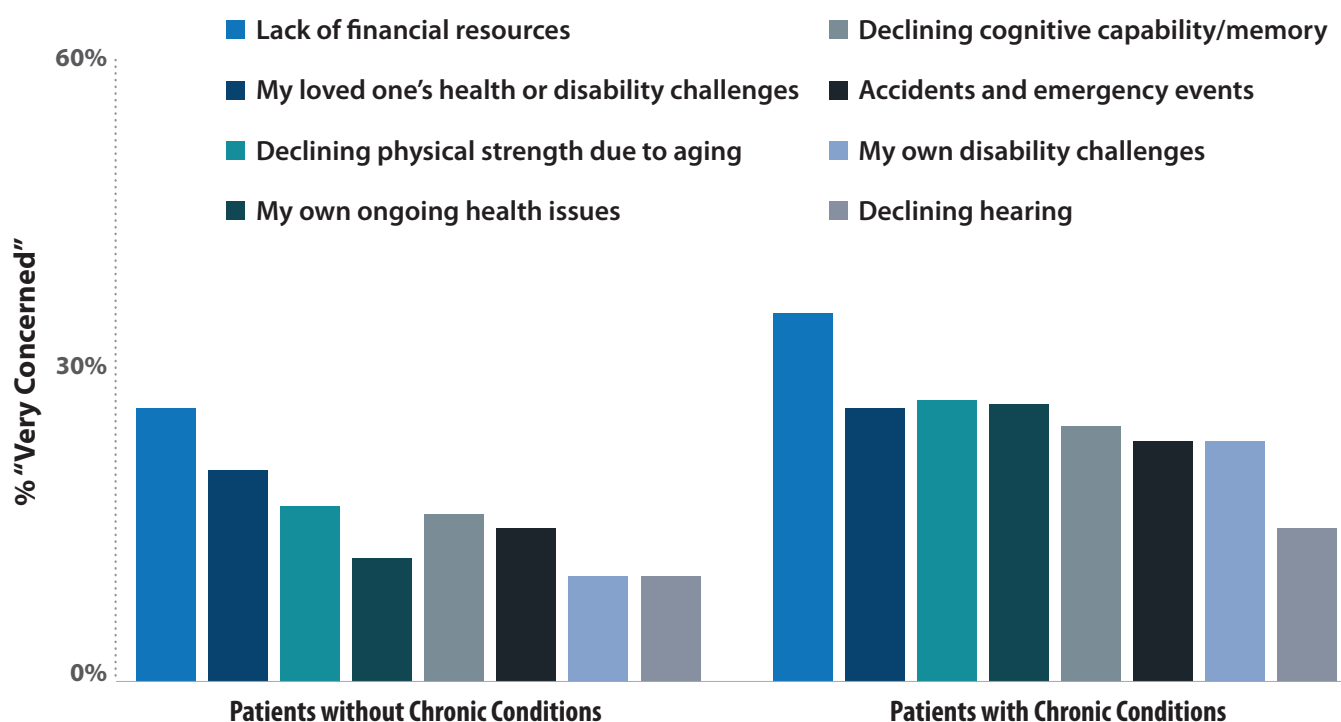
Chronic Health Conditions and Retirement

Many of the people 40 years old and older who are concerned about their retirement resources have chronic health conditions.

People with chronic conditions can particularly benefit from remote monitoring solutions that tie together behavioral data collected in the home and through medical devices and the care team.

Concerns about Specified Events Disrupting Retirement Plans, by Chronic Conditions

U.S. Heads of Household Ages 40 and Older in U.S. Broadband Households



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Nearly 60% of heads of household in U.S. broadband households **have at least one chronic condition.**

The most common challenges for people with chronic conditions:

- regularly exercising
- maintaining sufficient sleep

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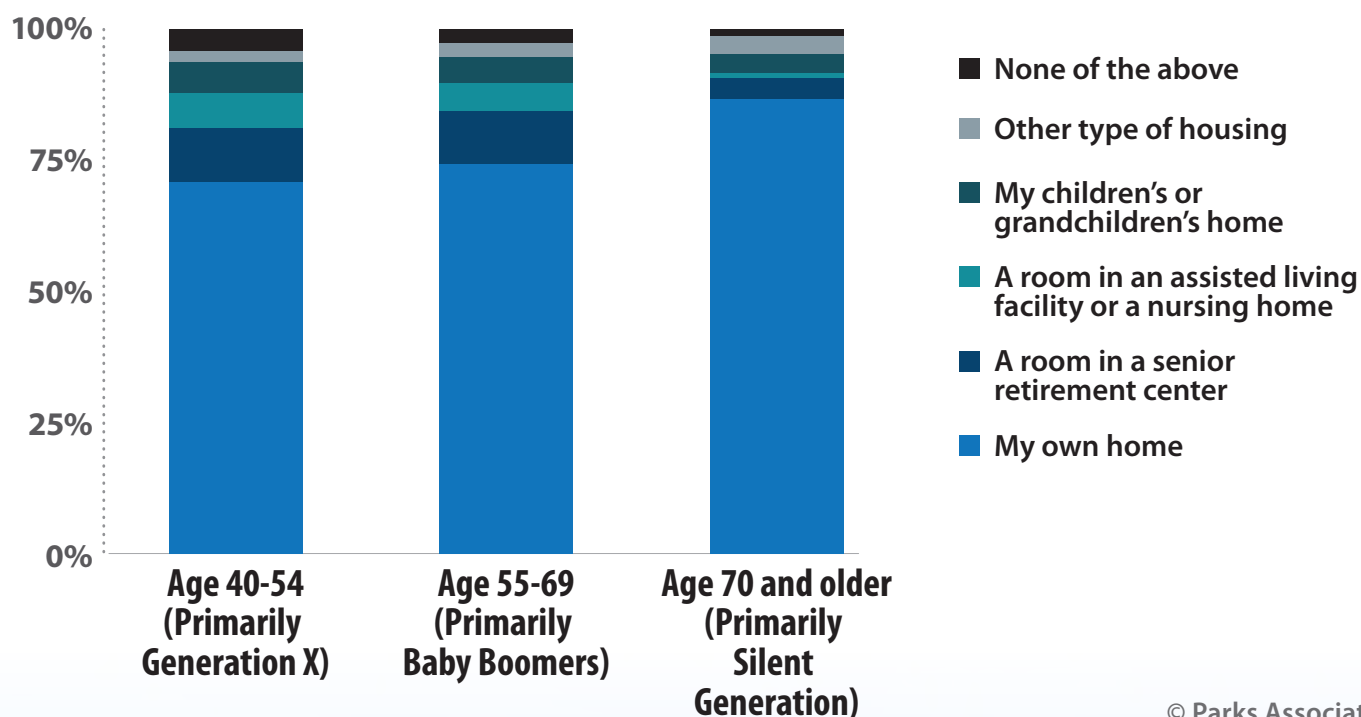
Staying at Home: Meeting Expectations

A majority of respondents expect to live in their own homes at the age of 80, and this expectation is higher among older respondents.

By age 85, over two-thirds of individuals have developed some sort of disability related to the loss of hearing, vision, cognition, or mobility. The share of individuals living in group quarters sharply increases at this age.

Anticipated Living Location at Age 80

U.S. Heads of Household Ages 40 and Older in U.S. Broadband Households



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Home Living Features and Health Monitoring

Features Valued By Consumers

Parks Associates tested consumer perceptions of a variety of home living services and features to identify the benefits consumers value the most. Consumers value the ability to connect with loved ones through text and video communication and via photos as the most useful home living features tested.

45% of consumers in U.S. broadband households rated emergency alerts sent to others as useful.

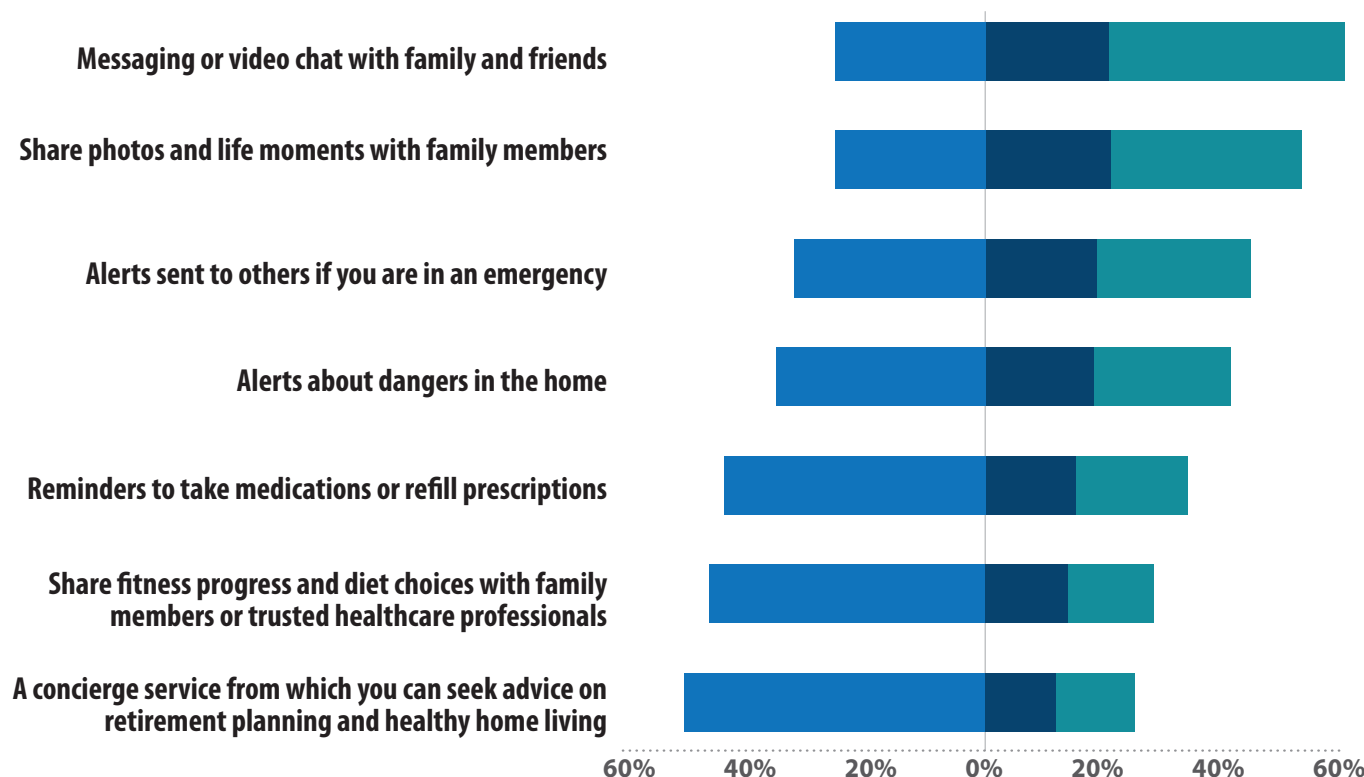
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Perceived Usefulness of Home Living Features

U.S. Broadband Households

■ Not useful ■ Useful ■ Very useful



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Providers cannot underestimate the importance of social and family aspects in designing a home care solution.

Overall Willingness to Pay for Home Living Features

When the question shifts from interest to willingness to pay, percentages predictably drop.

- 40% of U.S. broadband households are interested in paying for at least one home living feature for themselves.
- About one-third of households are interested in paying for a service that alerts family members if they are in an emergency.
- Nearly 30% are interested in paying to receive alerts about dangers in the home.
- Almost 20% are interested in paying for a concierge service offering advice on retirement planning and healthy home living.

Interest in Paying for Home Features U.S. Broadband Households

■ Not interested ■ Interested ■ Very interested

Alerts family members if you are in an emergency



Alerts you about dangers in the home



A concierge service offering advice on retirement planning and healthy home living



80% 60% 40% 20% 0% 20% 40%

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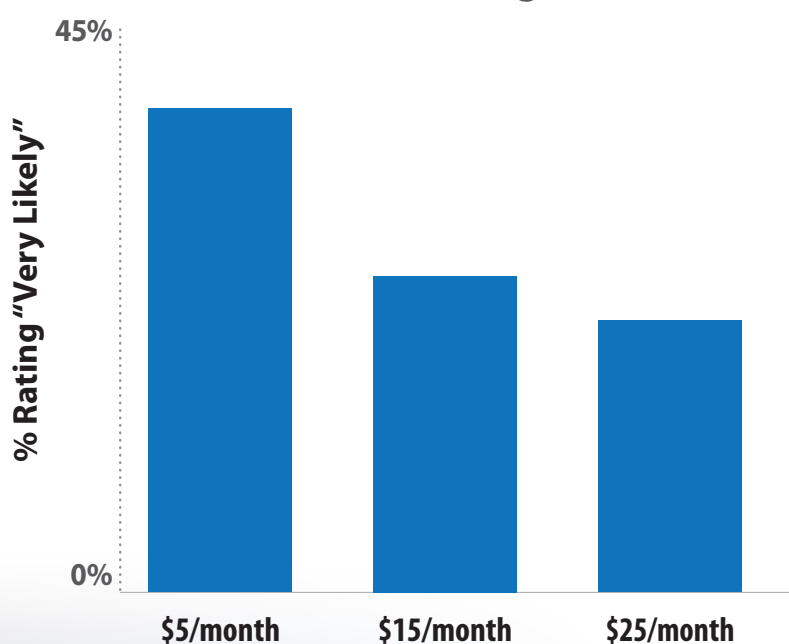


Willingness to Pay for Home Living Features

Establishing the right price point for new services can maximize adoption and bundling opportunities. Among those interested in at least one home living service, nearly one-fourth are very likely to pay \$25 per month for one of these services. While this finding shows some interest at higher price points, providers would win broader adoption if the monthly rate is less than \$15 per month.

High Likelihood of Paying for a Service at Specified Monthly Fees

U.S. Broadband Households Interested in at least One Home Living Feature



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42% of households interested in at least one home living service are very likely to pay **\$5 per month** for it.

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Elder heads of household are slightly more resistant to paying for services.

48% of respondents 65 and older find emergency alerts for family members to be useful, but only **27%** would pay for this service.

35% of consumers 40-64 are interested in paying for at least one tested home living service, compared to **31%** of those ages 65+.

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Caretakers' Willingness to Pay for Home Living Features

The top three home living features among family caretakers:

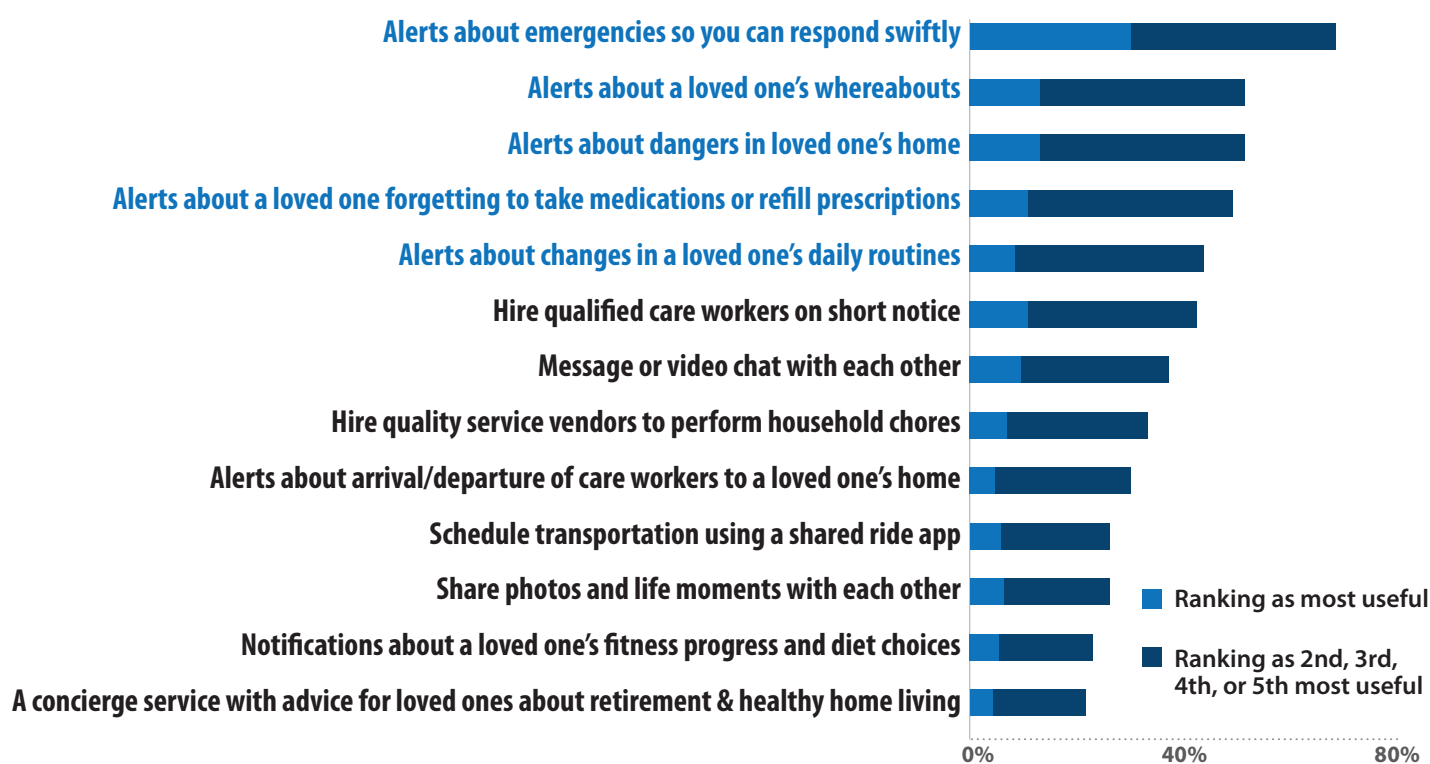
- emergency alerts
- location tracking
- warnings of dangerous conditions

The features that scored as the fourth and fifth most useful overall both involve alerts on deviations to a loved one's routines, which would involve a smart solution that could learn typical behavior patterns and recognize changes, features not fully realized in most smart home products today.

Currently only 6% of caregivers rank routine tracking as the most useful home living feature, but as more smart home systems incorporate AI and machine learning, they will be able to better demonstrate the value in this use case.

Top 5 Most Useful Home Living Features for Caregivers

Head of Household in U.S. Broadband Households Who Are Current/Future Caregivers



Caregivers and Receiving Alerts

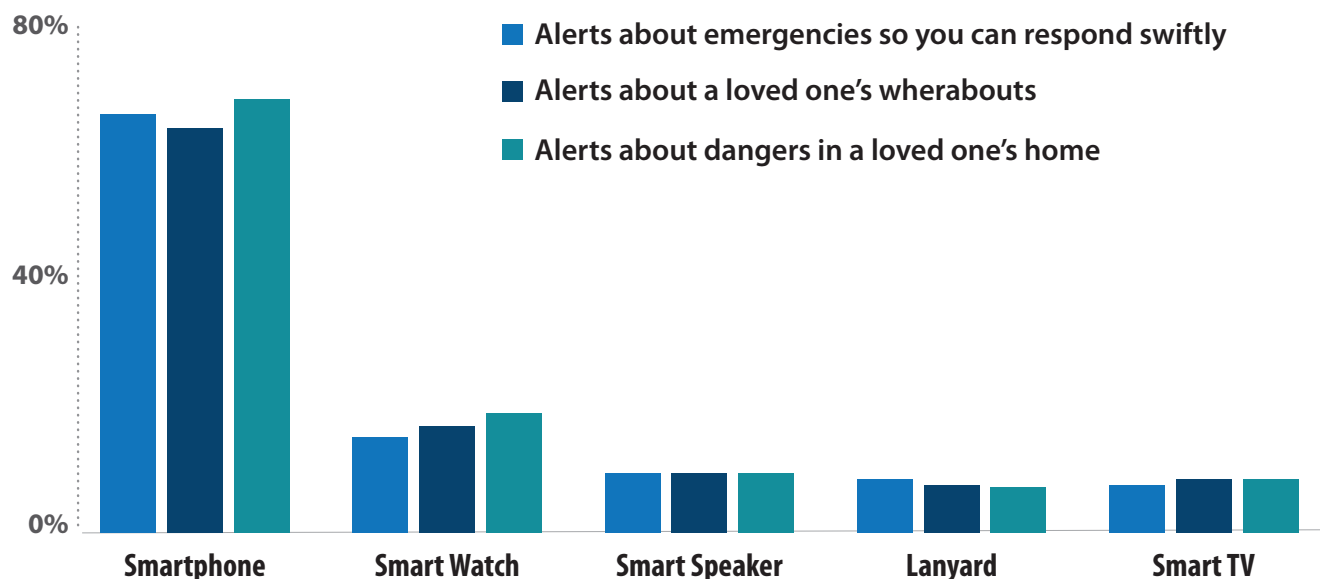
Smartphones are by far the most preferred device on which to receive alerts. Adoption is highest for this device, but even when looking at responses based on device ownership, the smartphone still dominates.

Only the smart watch looks like it might, at some point in the future, rival the smartphone for alert use cases:

- 24% of smart watch owners prefer receiving notifications on their watch.
- 17% of smart speaker owners prefer receiving notifications on their speaker.
- 9% of smart TV owners prefer receiving notifications on their TV.

Preferred Device for Receiving Alerts

Caregivers in U.S. Broadband Households Interested in Home Living Feature in Caring for Loved One



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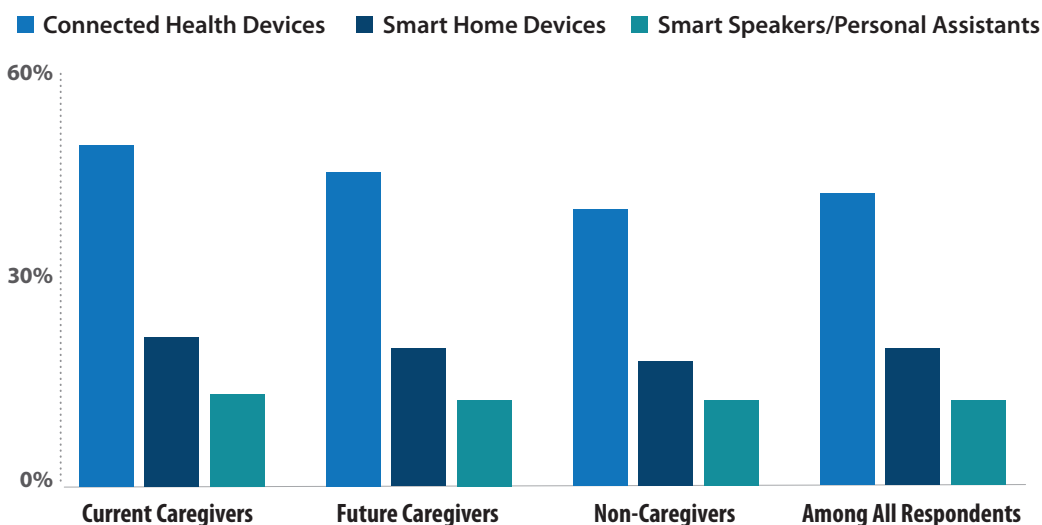


Caregivers and IoT Adoption

Smart home households (those with at least one smart home device) are more likely than other households to see the value in home living features—and **they are more likely to pay for these services**. Given that caregivers are higher adopters of connected health and smart home devices than future or non-caregivers, the early market for many of these home and healthcare solutions is taking shape around current caregivers.

Adoption of Connected Device Categories by Caregiver Status

U.S. Broadband Households



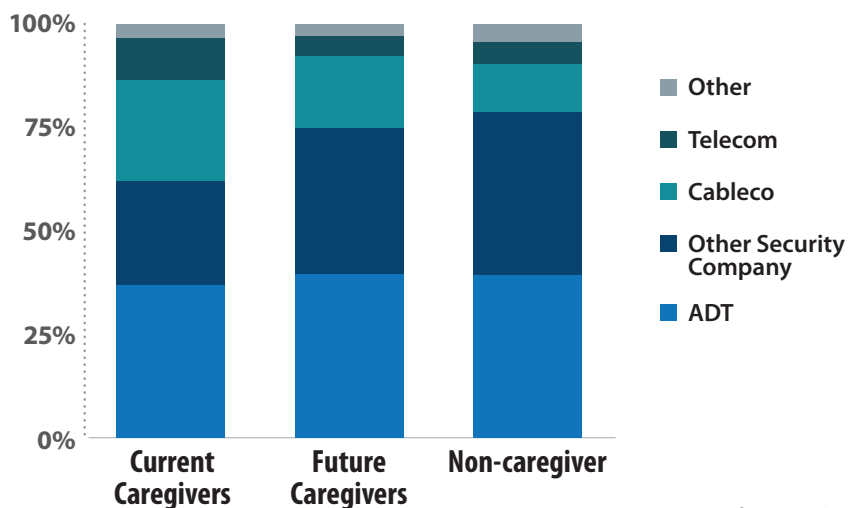
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Security monitoring solutions from cable companies and telecoms also have a higher market share among current caregivers than among non-caregivers.

Cable companies and telecoms have an opportunity to branch out, to target caregiver households and offer additional home living services on top of their security monitoring solutions.

Security Monitoring Provider by Caregiver Status

U.S. Broadband Households with a Professionally Monitored Security System



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About The Authors



Jennifer Kent, *Director, Research Quality & Product Development, Parks Associates*

As Director, Research Quality & Product Development, Jennifer manages Parks Associates' process for producing high-quality, relevant, and meaningful research. She acts as an internal advocate for Parks Associates clients and leads the company's efforts at conceptualizing and implementing digestible, relevant research presented in an optimal manner. Jennifer is always looking at the most effective ways to provide research to Parks Associates clients.

Since joining Parks Associates in 2009, Jennifer has worked on the mobile and health research team, specializing in the connected health, mobile payment, and connected car markets, as well as the consumer research team, analyzing consumer data related to the connected home and consumer electronics markets.

Jennifer earned her Ph.D. in religion, politics, and society and an M.A. in church-state studies from Baylor University. She earned her B.A. in politics from the Catholic University of America in Washington, D.C.



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Kristen Hanich studies digital and connected health and mobile trends across the globe. She is a trained anthropologist with skills in ethnography, development/programming, and geoanalytics and has a background in the areas of health behavior and epidemiology.

Kristen has dual master's degrees in anthropology and public health from the Universities of North Texas in Denton and Fort Worth. She earned her B.Sc. in health at the University of Texas at San Antonio and has a graduate certificate in GIS.



Parks Associates is an internationally recognized market research and consulting company specializing in emerging consumer technology products and services.

Founded in 1986, Parks Associates creates research capital for companies ranging from Fortune 500 to small start-ups through market reports, primary studies, consumer research, custom research, workshops, executive conferences, and annual service subscriptions.

The company's expertise includes the Internet of Things (IoT), digital media and platforms, entertainment and gaming, home networks, Internet and television services, digital health, mobile applications and services, support services, consumer apps, advanced advertising, consumer electronics, energy management, and home control systems and security.

For more information, visit parksassociates.com or contact us at 972.490.1113 / info@parksassociates.com.

Note on the data:

Parks Associates surveys U.S. broadband households, which account for 85% of the total U.S. population. This sample base represents a slightly more affluent base than the overall population.

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