

Aaron Smith remarks to IRS Taxpayer Advocate public forum, Feb 23 2016

As of 2015, 15% of American adults do not use the internet from any location or device. And while internet usage varies by a number of demographic factors, age is the most prominent: well over 90% of Americans under the age of 50 are internet users, but fewer than half of those 80 and older go online.

Those Americans who are not currently internet users face a host of barriers to joining the online world. Many are uncomfortable learning how to use new technologies on their own: 83% of non-internet users would need help learning how to use a new piece of technology. Some have physical disabilities or chronic health conditions that make it difficult to use a keyboard or mouse, much less a smartphone touchscreen. And many – especially older non-users – simply don't see why they should spend the time, money and effort necessary to learn how to use this seemingly complicated technology.

At the opposite end of the access spectrum from those who don't use the internet at all, around 2/3 of Americans have access to a dedicated, high-speed home internet subscription. However, broadband adoption has largely plateaued in recent years – indeed, broadband adoption levels in 2015 are nearly identical to what they were three years ago.

Yet even as broadband adoption has slowed dramatically in recent years, we have seen a corresponding increase in the importance non-users assign to joining the broadband world. In the space of five years, non-adopters have grown much more likely to see a lack of broadband service as a major disadvantage to accomplishing various life tasks – from accessing government services, to getting information that might improve their health or their career prospects.

But despite this growing sense from non-broadband users that they are missing out on many important resources, financial and economic factors form a significant barrier to increased broadband adoption. Indeed, 43% of non-broadband adopters cite cost factors – either the cost of a computer or of the monthly subscription – as the primary reason why they don't have broadband service at home. And 66% indicate that cost is a factor (if not the primary one) preventing them from getting broadband.

As a result, a growing number of Americans are opting to utilize a smartphone – and not traditional broadband service – as their primary way of going online. Today 13% of Americans indicate that they do not have broadband service at home, but do have a smartphone – a five-point increase from what we found just two years ago. And for certain groups – such as African

Americans, or those with low incomes – these “smartphone only” users comprise as much as a 20% share of the population.

And while many of these “smartphone only” users feel that their smartphone lets them do everything online that they need to do, the fact is that reliance on a smartphone – or simply a lack of broadband access in general – can have significant impacts on how people engage with various life tasks online.

In a recent survey that we conducted about job seeking online, for example, these “smartphone only” users were far more likely than other Americans to have used their smartphone for highly complex tasks, such as filling out a job application or even creating a resume or cover letter. And in general, a substantial number of non-broadband adopters indicate that performing even relatively basic online job-seeking activities – such as emailing an employer, or filling out an online application – can be challenging without the benefit of a dedicated home connection.