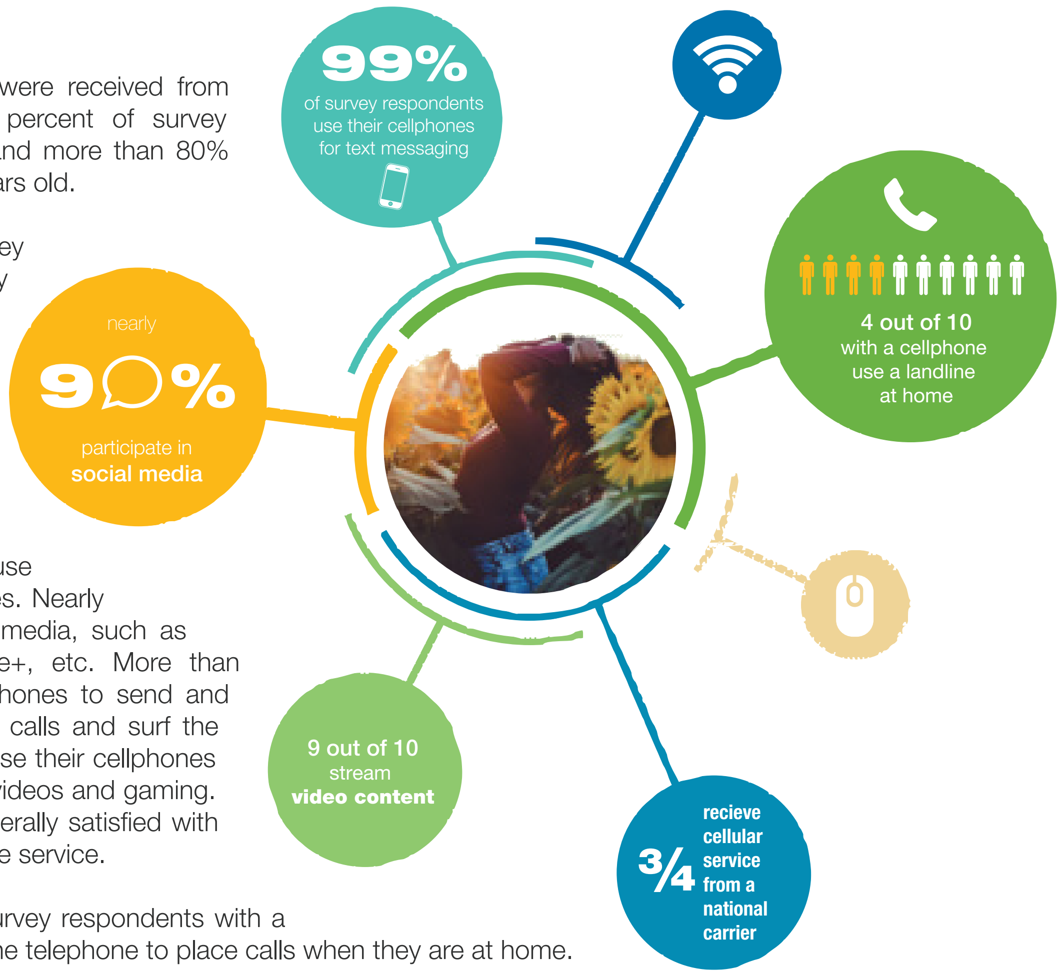
2017 Rural Youth Telecom Survey

NTCA THE RURAL BROADBAND ASSOCIATION®

FOUNDATION FOR RURAL SERVICE

Executive Summary

The 2017 Rural Youth Telecom Survey was conducted between January and April of 2017. This biennial survey was last conducted in 2015. Surveys were distributed to former participants in the Foundation for Rural Service's annual Youth Tour and applicants to the foundation's College Scholarship Program. NTCA–The Rural Broadband Association member companies were given the opportunity to distribute surveys to high school students within their local service areas as well.



Completed survey forms were received from 1,706 rural youth. Sixty percent of survey respondents are female, and more than 80% are between 14 and 19 years old.

Ninety-six percent of survey respondents indicated they have a cellphone. Three-quarters receive service as part of a family plan package.

Ninety-nine percent of survey respondents use their cellphones for text messaging, and nine in 10 use their phone to take pictures. Nearly 90% participate in social media, such as Facebook, Twitter, Google+, etc. More than three-quarters use their phones to send and receive email, make voice calls and surf the web. Fewer respondents use their cellphones for playing music, playing videos and gaming. Most respondents are generally satisfied with the quality of their cellphone service.

Four out of 10 of those survey respondents with a cellphone only use a landline telephone to place calls when they are at home.

Three-quarters of all survey respondents receive cellular service from a national carrier, and 17% receive service from the local telephone/internet company.

One-quarter of all respondents pay between $31 and $50 monthly for cellphone service, while only slightly fewer pay more than $100 monthly. Nearly three-quarters of survey respondents indicated their parents or guardian alone pay for their cellphone service, while one in four pay for their service either by themselves or with their parents.

More than 95% of survey respondents have an internet connection in their home; just under two in 10 have a fiber connection. Nearly two-thirds are online for three hours or more per day.

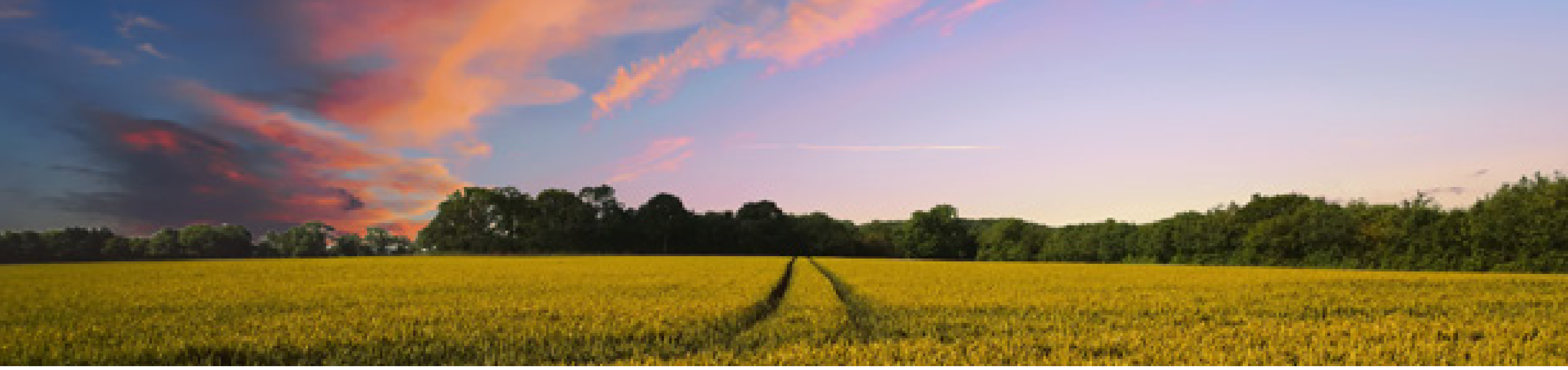
Taking part in online communities is the predominant online activity. Other popular online activities include homework/research, instant messaging/chat, web browsing and email.

While nearly one-third receive internet access from their local telephone company, a quarter does not know who their internet service provider (ISP) is.

More than one-third of survey respondents receive their video service from a satellite provider (such as DirecTV or Dish Network), followed by the local telephone company and the local cable company. Nine in 10 respondents stream video content, and half of those stream more than 5 hours per week. More than a third of survey respondents have used a virtual reality (VR) system, and an additional 39% have never used one but would like to.

Two-thirds of survey respondents are concerned about their web presence and cybersecurity. Half are aware of a cyberbullying incident happening to a friend or acquaintance, while one-fourth have been personally involved in a cyberbullying incident.

Nearly two-thirds of survey respondents stated they would consider living in a rural area soon after graduation, and 28% were not sure. Job availability and the proximity of friends will be important factors in deciding where they eventually live.



Introduction

As strange as it may seem, not only are nearly all of today's high school students unable to conceive of a time when cellphones were not ubiquitously available, many have never seen, much less used, a non-smartphone. Having grown up with state-of-the-art technology always accessible to them in the palm of their hands, they not only embrace constant technological innovation, they demand it.

This 10th biennial Rural Youth Survey represents the joint efforts of NTCA–The Rural Broadband Association and the Foundation for Rural Service to once again measure the pulse of the rural youth market. Taken as a whole, the results of the survey—as summarized in this report—paint a picture of how young people living in rural America view and utilize telecommunications technologies.

Understanding their preferences and economic decision-making rationales will prove absolutely critical to securing this critical consumer block as these young people move out into the real world and begin to establish their own households. Today's youth already command tremendous control over their families' expenditures on telecommunications services; their influence on the telecommunications marketplace will only grow over time.

Methodology

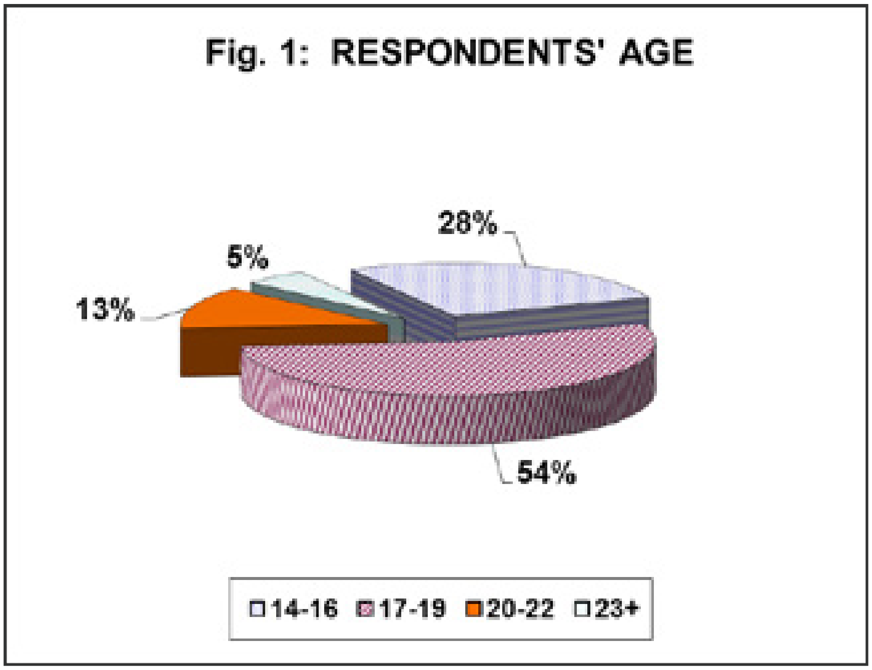
The 2017 Rural Youth Telecom Survey was conducted between January and April of 2017. The survey web link was distributed to 6,928 former participants in the Foundation for Rural Service's (FRS) annual Youth Tour and applicants to the foundation's College Scholarship Program.1 Also, representatives from NTCA–The Rural Broadband Association's (NTCA) member and associate member companies across the country were given the opportunity to distribute surveys to high school students within their local service areas. The survey was conducted 100% online.

Demographics

Completed survey forms were received from 1,706 rural youth.[2] Sixty percent of survey respondents are female, 40% male. Eighty-two percent of survey respondents are between 14 and 19 years of age. Twenty-eight percent are between 14 and 16, 54% are between 17 and 19, 13% are between 20 and 22, and 5% are 23 and older. (See Fig. 1.)

1 The FRS annual Youth Tour brings young people from rural America to Washington, D.C., each summer for a four-day tour of some of the most historical sites in the nation. While in Washington, students also learn about the telecommunications industry, as well as the regulatory and legislative processes. FRS's annual College Scholarship Program helps further higher education among rural youth. In May of 2015, FRS awarded $147,500 in the form of 52 scholarships to rural high school seniors across the United States. Awards are granted to students sponsored by an NTCA–The Rural Broadband Association member company. The majority of scholarship winners were awarded general FRS scholarships while others were awarded named scholarships that include the Everett Kneece, JSI and TMS scholarships.

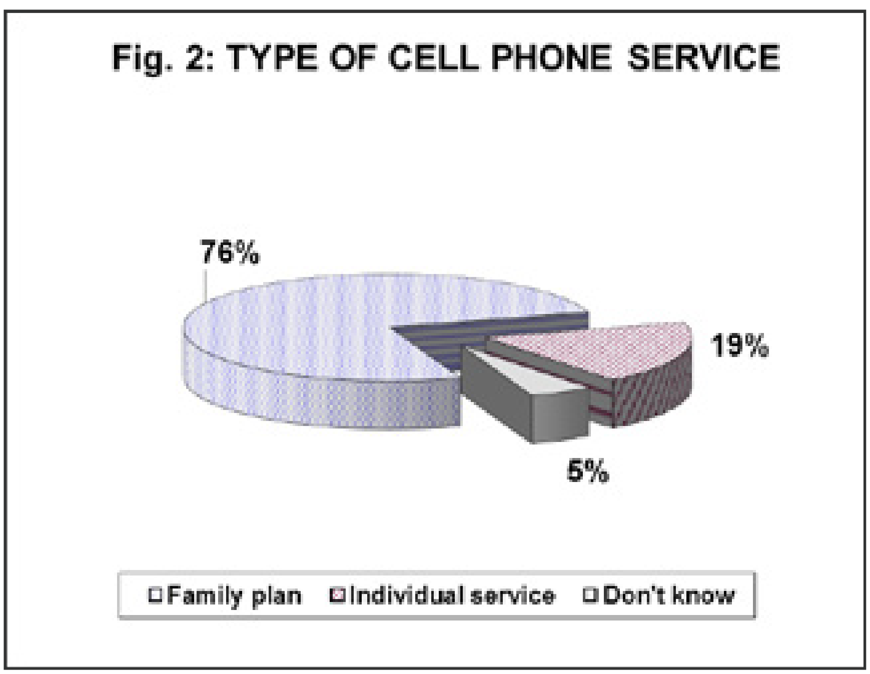
2 Based on this sample size, the results of the survey can be assumed to be accurate within ±2% at the 95% confidence level.



Forty-six percent of survey respondents currently attend public or private high school. Thirty-four percent attend a 4-year college or university, 8% attend vocational/technical school, 7% attend community college, 3% do not currently attend school, 1% attend graduate school and less than 1% are home-schooled.

Cellphone Usage

Not surprisingly, cellphones play an important part in the lives of the vast majority of survey respondents: 96% indicated they have a cellphone, up 1% from 2015. Of these, 76% receive service as part of a family plan package, 19% as individual cellular phone service, and 5% don't know what type of service they have. (See Fig. 2.)

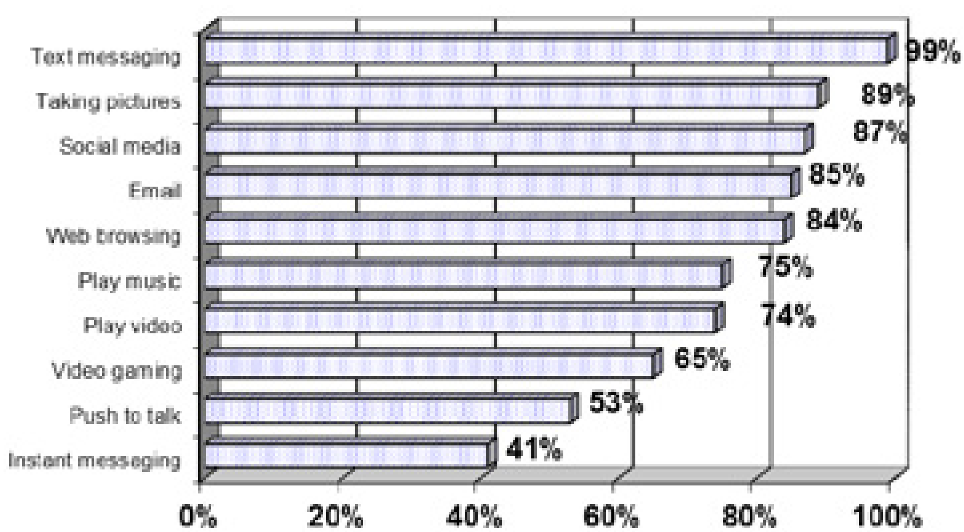


Sixty-eight percent of survey respondents who own a cellphone received their first cellphone at the age of 13 or younger, and 22% at age 11 or younger. Ninety-nine percent of cellphone owners received their phone by the age of 17.

Sixty percent of survey respondents said that texting was their primary means of communicating with their peers. Thirty-three percent primarily communicate via social media, 5% via voice calls and 2% via email.

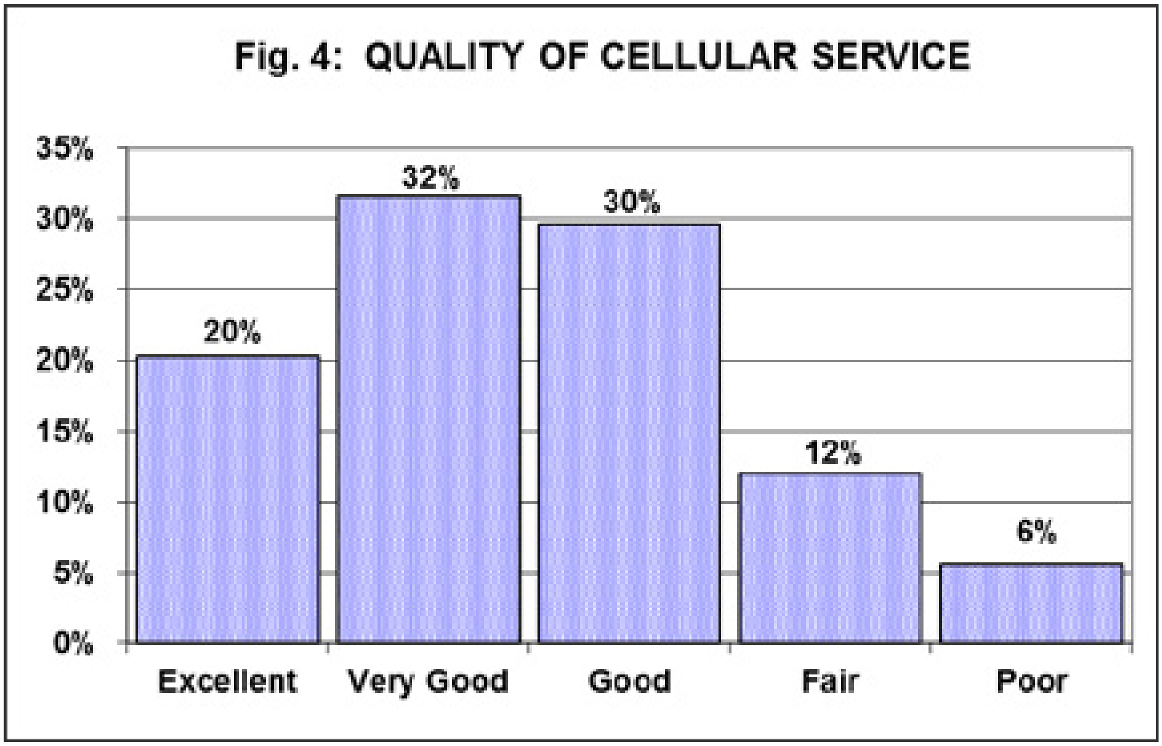
Survey respondents were asked what features/advanced services they used on their cellphones on a daily basis. Ninety-nine percent of respondents use their phones for text messaging, up slightly from 97% in 2015. Eighty-nine percent use their phones to take pictures, 87% access social media (Facebook, Twitter, etc.), 85% send and receive email, 85% make voice calls, 84% surf the web, 75% stream or download music, 74% stream videos, 65% do gaming, 53% use push to talk (such as Siri), and 41% do instant messaging.[3] (See Fig. 3.)

Fig. 3: ADVANCED WIRELESS SERVICES



3 Totals exceed 100% as respondents were asked to list all services/features they use on their cellphone.

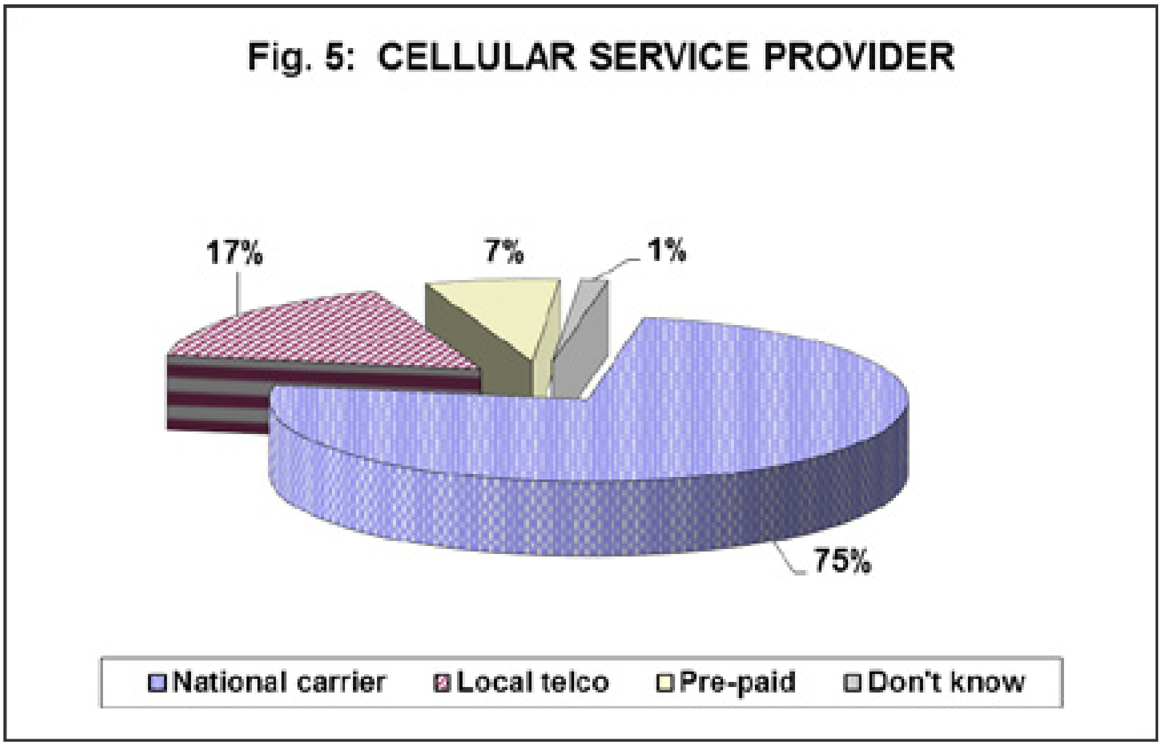
A significant portion of survey respondents are generally satisfied with their cellphone service. Twenty percent of those respondents with a cellphone classified the service in their home area as “excellent,” 32% dubbed their service quality “very good” and 30% “good.” Eighteen percent consider their service quality to be “fair” to “poor,” up from 11% in 2015. (See Fig. 4.)



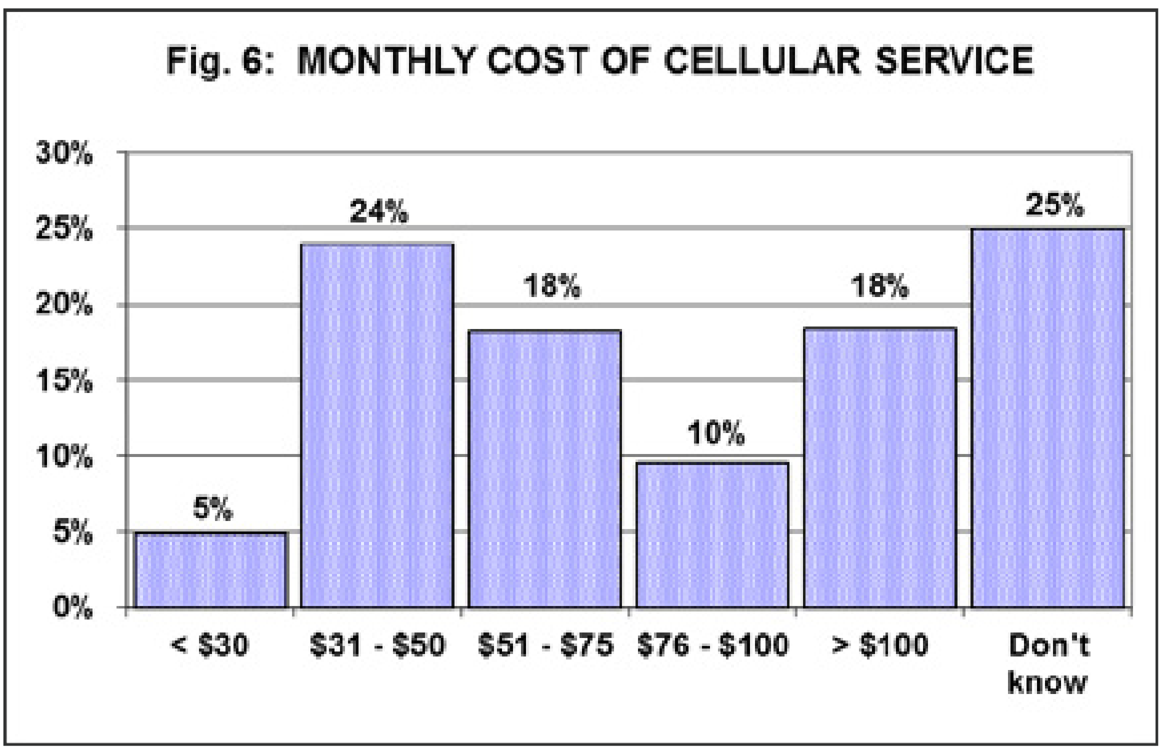
Forty-seven percent of survey respondents indicated that they never talk or text while driving. Forty percent said that they sometimes talk while driving without a hands-free device, and 23% sometimes talk while driving with a hands-free device. More than one in five—22%—confessed that they occasionally engage in the dangerous practice of texting while driving, despite the fact that 95% of survey respondents can recall seeing a public service announcement (PSA) about the dangers of texting while driving at least once or twice, and 75% admitted to having seen such PSAs “many times.”

While survey respondents continue to utilize traditional wireline phones, many do so only under very specific circumstances. Forty-seven percent of survey respondents use a traditional telephone to place calls when they are at home (possibly due to poor signal quality at home), 32% when their cellphone is not available, 11% when they need to make calls not included in their cellphone service package (e.g., international calls), and 5% only when at their current address (if different than home—e.g., college). Twenty-nine percent of survey respondents indicated they never use a traditional phone, down slightly from 34% in 2015.

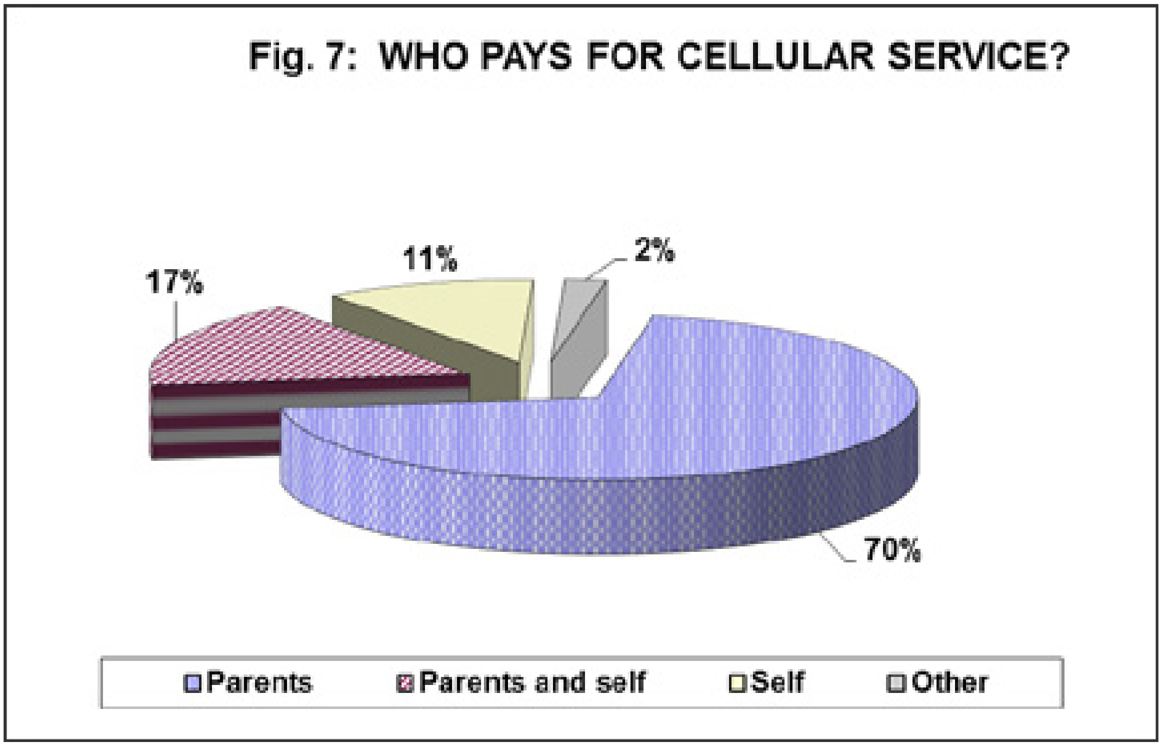
Seventy-five percent of survey respondents receive cellular service from a national carrier, such as AT&T, Cingular, T-Mobile, Sprint or Verizon (up from 64% in 2015), 17% receive service from their local telephone company (down significantly from 32% in 2015), and 7% utilize a prepaid cellular service. Slightly over 1% don’t know who provides their service. (See Fig. 5.)



Twenty-four percent of survey respondents pay between $31 and $50 monthly for cellular service (up from 20% in 2015), while 18% pay more than $100 monthly (up slightly from 17%), 18% pay between $51 and $75 (up from 12%), 10% pay between $76 and $100 (down from 11%) and 5% pay less than $30 (down from 10%.) Twenty-five percent do not know how much their monthly service costs (down from 29% in 2015). (See Fig. 6.)

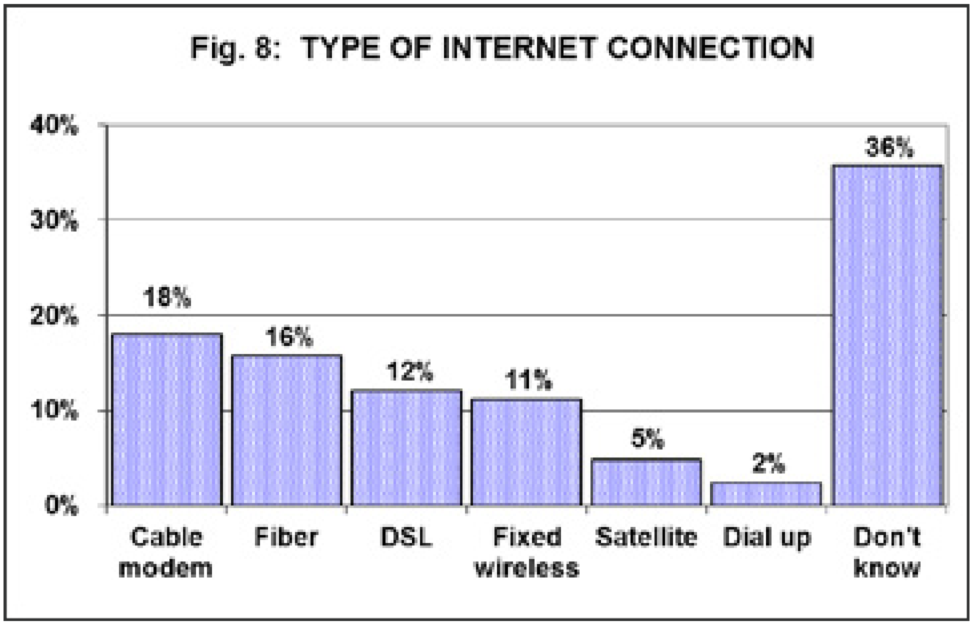


Seventy percent of respondents indicated their parents/guardians alone pay for their cellphone service. Eleven percent pay for their own service, and 17% indicated that they and their parents jointly pay the bill. (See Fig. 7.) Thus, it is likely that a significant portion of the youth market will soon begin to pay for their own service for the first time in their lives, and price will potentially prove an important consideration in their choice of a future service provider.

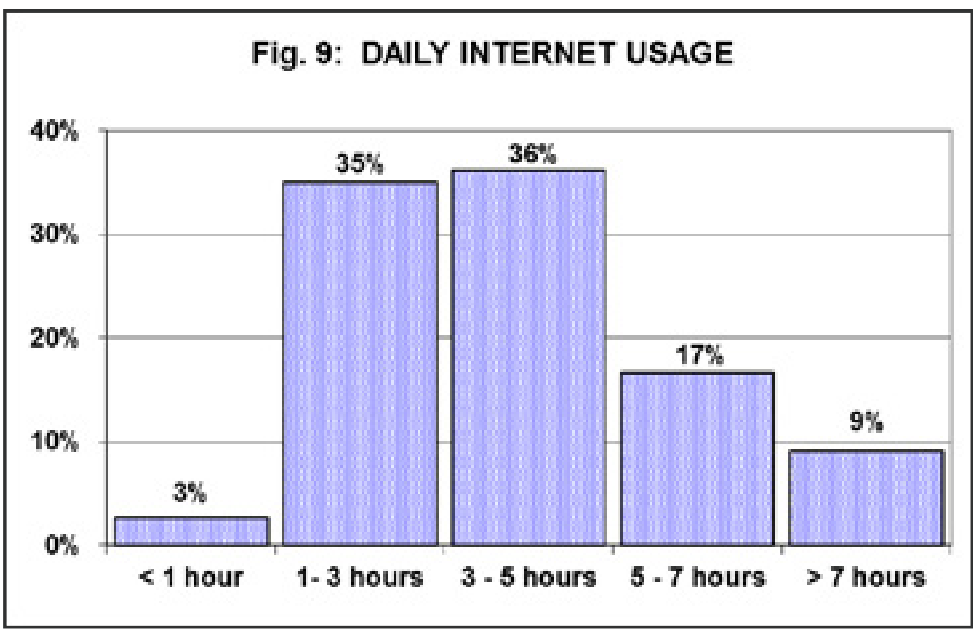


Internet Usage

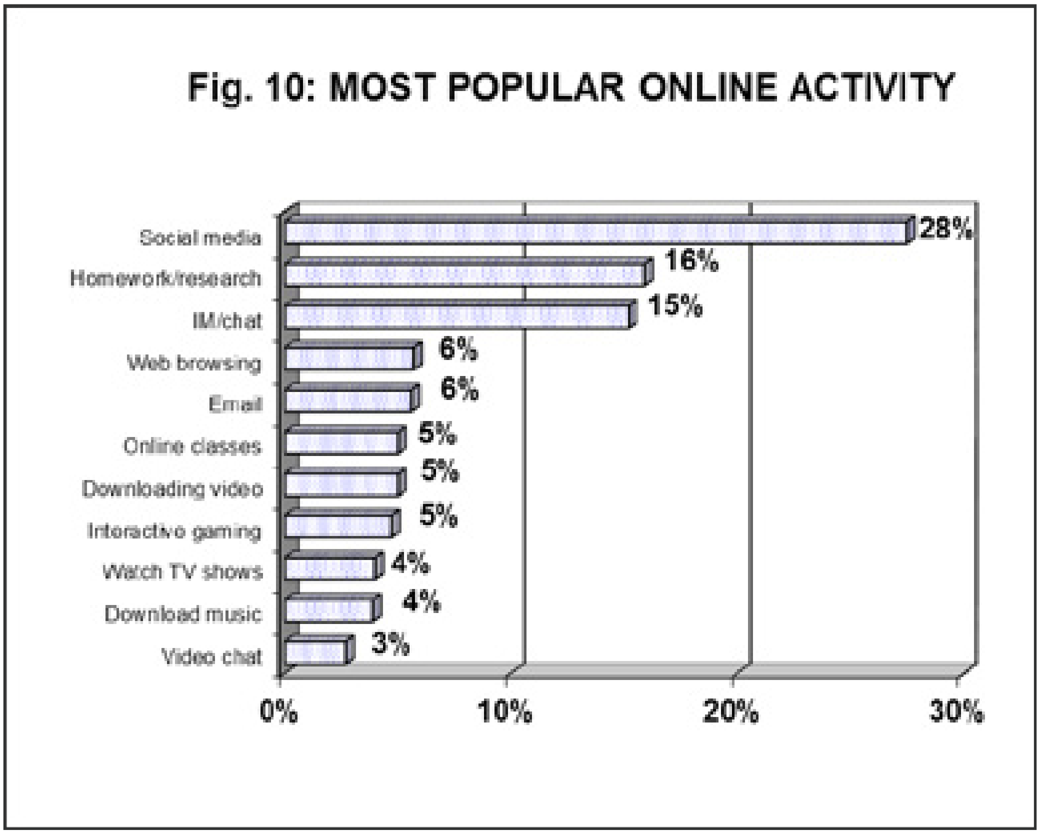
Ninety-six percent of survey respondents indicated they have an internet connection in their home, unchanged from 2015. Of those, 18% report a cable modem connection (up from 15% in 2015), 16% a fiber connection (down from 19%), 12% DSL (unchanged), 11% fixed wireless (down from 16%), 5% satellite and 2% dial-up. Thirty-six percent do not know what kind of internet connection they have in their home (up from 31%). (See Fig. 8.)



Survey respondents are taking advantage of the internet's ready availability. Just over one-third (36%) spends between three and five hours online daily, and 35% are online for between one and three hours daily. Seventeen percent are online for between five and seven hours per day, 9% more than seven hours a day and 3% less than one hour daily. (See Fig. 9.) As a result, 62% can be classified as heavy users, online three or more hours per day (up from 47% in 2015), while 3% of respondents can be classified as light users, who are online less than one hour per day (down from 7%).



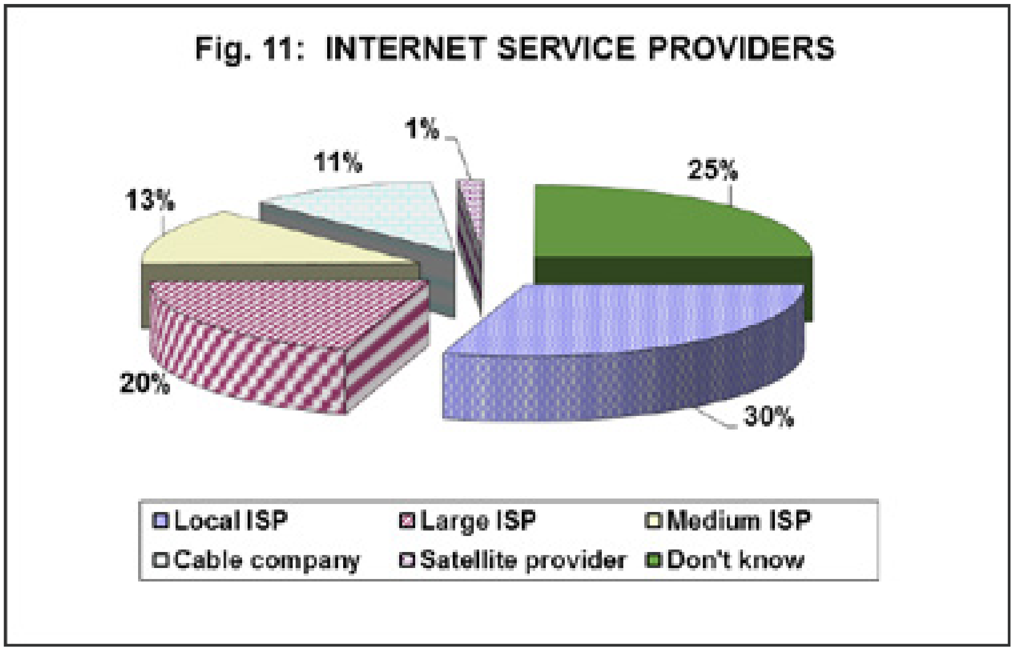
Social media was cited by respondents as the most popular online activity by 28% of survey respondents. Other popular online activities include homework/research (selected as the most popular activity by 16% of respondents), instant messaging/chat (15%), web browsing (6%), email (6%), taking online classes (5%), downloading or streaming and watching video other than TV shows (5%), gaming (5%), and watching TV (4%).



Eighty-two percent of survey respondents utilize Instagram, 81% Snapchat, 75% Facebook, 56% Pinterest, 50% Twitter and 35% Google+. Snapchat was selected by the greatest number of respondents as their most-used app, followed by Facebook, Instagram, Twitter, Google+ and Pinterest. Thirty-one percent of respondents visit social media sites so many times on a daily basis they "can't keep track," 20% visit such sites six to 10 times a day, 16% more than 10 times, 16% four to five times, and 15% one to three times. Three percent indicated they never visit social media sites.

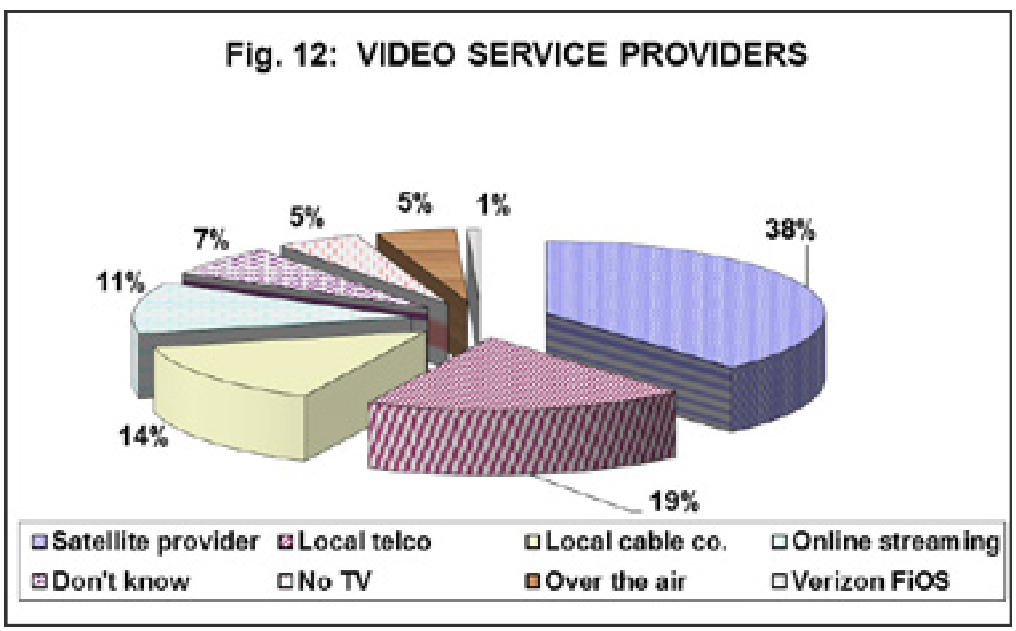
Eighty-six percent of respondents have access to a Wi-Fi hot spot in their community (up from 79% in 2015), while 12% do not and 2% do not know what a hot spot is (down from 5%). Sixty-eight percent have access to a hot spot in their school, 60% in a local library, and 56% in a restaurant or coffee shop. Of those with access to a Wi-Fi hot spot, 83% have utilized it, up from 77% in 2015. Eighty-two percent of respondents utilize a home connection as their primary source of internet connectivity, 15% a cellphone or tablet, and 3% a community Wi-Fi source.

Thirty percent of respondents receive internet access from the local telephone company (down from 48% in 2015), 20% from a large ISP (such as Verizon, AT&T, etc.), 13% from a medium-sized ISP (such as CenturyLink or Frontier), 11% from the local cable company (down from 12%), and 1% from a satellite provider (down from 6%). Twenty-five percent do not know who their ISP is (down from 27%). (See Fig. 11.)



Video Usage

While television has long been a fixture in Americans' homes, recently the options for receiving video service have increased dramatically. Thirty-eight percent of survey respondents receive their video service from a satellite provider such as DirecTV or Dish Network (up from 34% from 2015). Nineteen percent receive service from the local telephone company (down from 22%), 14% from the local cable company (down from 17%), 11% only watch via streaming on their computer, tablet or phone (up from 5%), 7% do not know (up from 6%), 5% don't have a television in their home (down from 7%), 5% receive broadcast television only (down from 6%) and 1% utilize Verizon FiOS TV. (See Fig. 12.)



Eighty-eight percent of survey respondents use free or paid online video streaming. Of those, 78% of respondents watch 10 or fewer hours of streaming television per week, and 6% watch more than twenty hours per week. Sixty-three percent of respondents watch five or fewer hours of traditional (i.e., non-streaming) television per week, while 17% watch more than 10 hours per week.

Of those who stream video content, 76% reported using Netflix, 66% YouTube, 23% Hulu, 23% Amazon Instant Video, and 11% iTunes. Sixty-eight percent stream video content on their smartphone, 59% their computer, 43% a smart TV, 31% a tablet and 25% gaming devices.

The majority (56%) never purchase video-on-demand or pay-per-view programming. Twenty-five percent purchase such programming two to six times per year, 11% once a year, 5% seven to 12 times per year, and 3% more than 12 times per year. Thirty-three percent of those who never purchase video-on-demand or pay-per-view programming cited the cost (down from 42% in 2015), 32% stated that they have no interest in the service (down from 37%), 27% prefer to stream through services like Netflix, Hulu, etc., 5% are not allowed by their parents (down from 12%), 2% do not because of limited availability (down from 4%), less than 1% due to selection (unchanged), and less than 1% cited signal quality (unchanged).

Thirty-five percent of survey respondents have used a virtual reality (VR) system, and 7% of those use it "frequently." Thirty-nine percent have never used it but would like to, and 26% have never used it and have no interest in it. Sixty-six percent of those who use a VR system do so via Wi-Fi, 13% via cellular and 21% via both.

Looking Forward

Forty-nine percent of survey respondents are "concerned" about their web presence and cybersecurity. Nineteen percent are "very concerned," while 27% are "unconcerned" and 5% are "very unconcerned."

Fifty-one percent of respondents have been aware of a cyberbullying incident happening to a friend or acquaintance, and 27% have been personally involved in a cyberbullying incident, up from 44% and 20% in 2015, respectively. Thirty-six percent have taken an internet safety program, and the overwhelming majority found it useful.

Sixty-three percent of survey respondents stated they would consider living in a rural area soon after graduation, while 9% said they would not. Twenty-eight percent were not sure.

Survey respondents indicated that job availability would be the predominant factor in determining whether they stay in or move to a rural area in the future. Proximity of family/friends was the second most important factor, followed by the cost of living, availability of high-speed internet and access to cultural activities. Other factors cited include where the respondents' spouse wishes to live, educational opportunities, environmental factors and diversity.

CONCLUSION

A significant chunk of survey respondents don't know how much their monthly cellphone service costs. While 72% of respondents have their monthly bill paid by somebody other than themselves, 25% have no concept of the magnitude of that bill. When these young people enter the "real world" and begin the process of shopping around for cellphone service, it is quite likely that they will be hit with a case of "sticker shock." The provider that ultimately wins their service will be the one who, among other things, is able to prove that they offer the greatest value for their cost.

Participating in social media is, by far, the most popular online activity among survey respondents. While a cellphone has an undeniable utilitarian purpose for young people (used for personal safety, education, etc.), its use as a means of connecting them to others in their demographic group is undeniably the primary draw. Online communication is both the prevalent and preferred means of personal communication for young people today. Losing this interpersonal link is, to most, unthinkable.

Young people need more convincing about the dangers of texting while driving. The single most frightening finding of this survey is that 22% of respondents admit to occasionally texting while driving. They have been exposed to warnings: 95% have seen at least one PSA on the topic, and 75% have seen multiple PSAs. This informational onslaught needs to continue, and should be supplemented by additional, proven methods of getting this life-saving message across, whether in schools, churches or other places where young people can be counseled.

Interest in virtual reality (VR) is widespread. Seventy-four percent of survey respondents have either tried VR or would like to try it. Telecom service providers that are able to offer their customers the best possible VR experience will have a tremendous advantage with this particular demographic versus those that cannot.

Cyberbullying is a significant concern for young people. More than half of all survey respondents know of a cyberbullying incident involving a personal acquaintance, and more than a quarter have been personally affected. Respondents indicated that internet safety training efforts are generally helpful; additional efforts in this area could potentially reduce the levels of exposure indicated by these survey results.

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