ACTIVATE CONSULTING TECHNOLOGY & MEDIA OUTLOOK 2025

USER GENERATIONS

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Technology, internet, and media companies need to move to a tailored approach for each major age cohort, especially to capture the attention and spend of older groups of consumers

There is a substantial digital divide between generations — while technology and media behaviors are becoming more mainstream, Millennials and Gen Z are significantly more immersed in the digital world than Gen X and Baby Boomers

Each generation has distinct preferences for how to interact with the digital world, including key differences in the overall media activities they engage in as well as the specific services they use

Accordingly, there is an opportunity for companies to both **super-serve the younger generations**, who are the earliest adopters of new technology, **and close the digital divide** through tailored experiences that address the needs of older generations

Today, Millennials and Gen Z are spending considerably more time with technology, internet, and media

INTRODUCTION TO THE GENERATIONS[1]

	BABY BOOMERS	GEN X	MILLENNIALS / GEN Y	GEN Z
AGE RANGE[1]	60 to 78	44 to 59	28 to 43	18 to 27
U.S. ADULT POPULATION	70M	66M	73M	44M
DAILY TIME SPEND ON TECHNOLOGY AND MEDIA[2]	8:35	11:50	14:18	14:22

Baby Boomers spend the least time with media per day on average, in part due to a lower propensity for multi-tasking

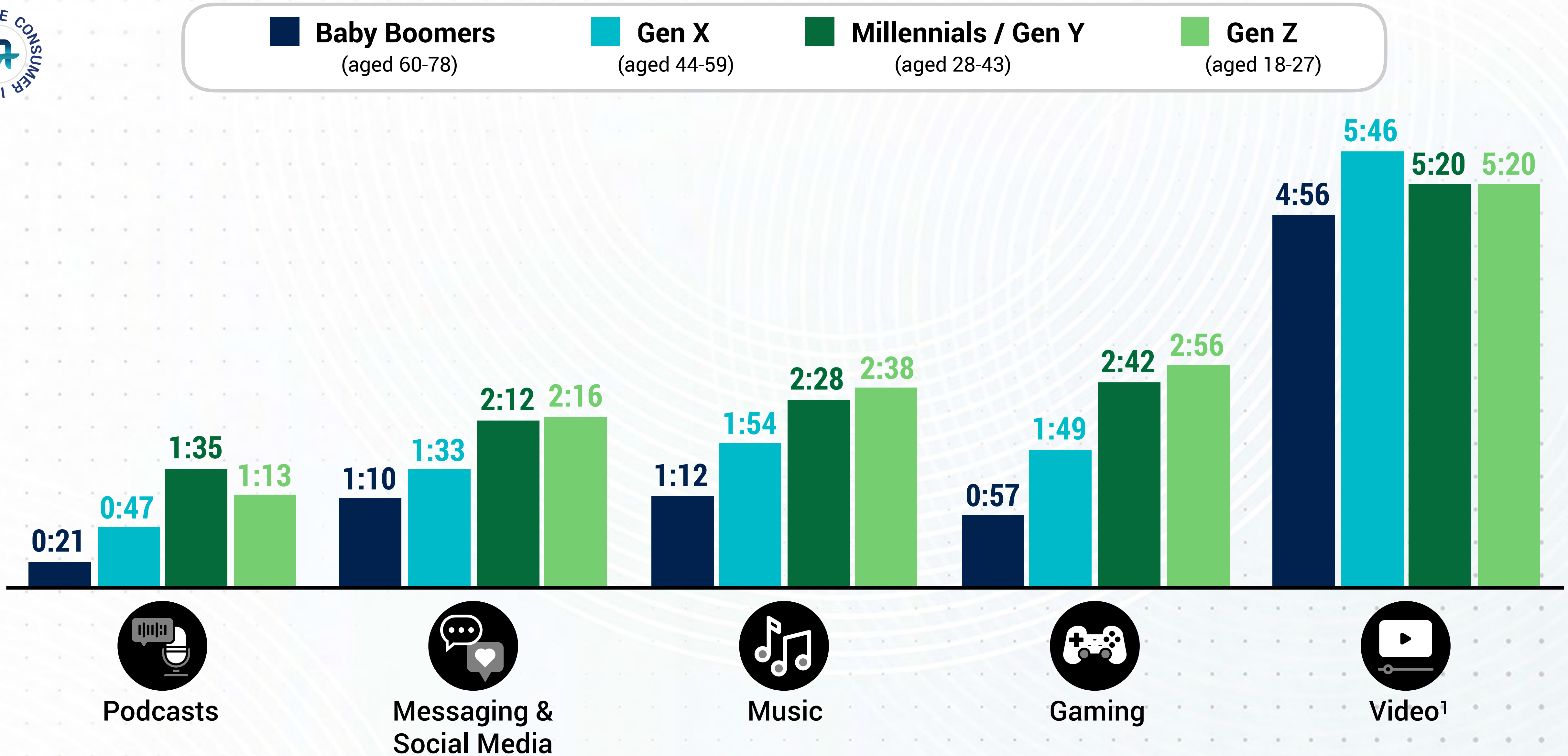
Gen X spends nearly 12 hours per day with media on average

Millennials and Gen Z are highly similar in their average daily media time, with nearly 6 more hours per day than Baby Boomers and over 2 more hours per day than Gen X

1. Includes adults aged 18+. Excludes adults aged 79 and older (e.g. Silent Generation). 2. Includes time spent watching video, playing video games, listening to music, listening to or watching podcasts, and using messaging / social media services.
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004), Company filings, Comscore, Conviva, data.ai, eMarketer, Gallup, GWI, Interactive Advertising Bureau, Music Biz, National Sleep Foundation, Newzoo, Nielsen, NPD Group, Omdia, Pew Research Center, PricewaterhouseCoopers, U.S. Bureau of Labor Statistics, U.S. Census Bureau, YouGov

There are stark differences in daily time spend across age cohorts; time spend with video is more closely aligned

AVERAGE DAILY TIME SPEND WITH MEDIA PER USER BY GENERATION, U.S., 2024E, HOURS:MINUTES



1. "Video" includes YouTube.

Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004), Company filings, Comscore, Conviva, data.ai, eMarketer, Gallup, GWI, Interactive Advertising Bureau, Music Biz, National Sleep Foundation, Newzoo, Nielsen, NPD Group, Omdia, Pew Research Center, PricewaterhouseCoopers, U.S. Bureau of Labor Statistics, YouGov

Paid video streaming is the preferred platform across most age cohorts, with Pay TV still at the top for Baby Boomers

TOP PREFERRED VIDEO PLATFORMS BY GENERATION, U.S., 2024, % VIDEO PLATFORM USERS[1] BY GENERATION

ORDER OF PREFERENCE	BABY BOOMERS (AGED 60-78)	GEN X (AGED 44-59)	MILLENNIALS / GEN Y (AGED 28-43)	GEN Z (AGED 18-27)
1	Pay TV 30%	Paid video streaming subscription services 36%	Paid video streaming subscription services 33%	Paid video streaming subscription services 31%
2	Paid video streaming subscription services 27%	Pay TV 26%	Pay TV 25%	YouTube 30%
3	YouTube 16%	YouTube 15%	YouTube 17%	Social websites/apps 18%

1. "Video platform users" are defined as adults aged 18+ who watch video through traditional Pay TV (i.e. TV delivered through a set-top box), virtual Pay TV (i.e. TV delivered through the internet without a set-top box), free TV though an antenna, paid video streaming subscription services, free video streaming services with ads, YouTube, or other social websites/apps (e.g. TikTok, Facebook, Snapchat).
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

For both music and social media, the top services dominate across all age cohorts

MOST USED MUSIC SERVICES AND SOCIAL MEDIA PLATFORMS BY GENERATION, U.S., 2024

ACTIVATE CONSUMER INSIGHT

MUSIC SERVICES

ORDER OF USAGE	BABY BOOMERS (AGED 60-78)	GEN X (AGED 44-59)	MILLENNIALS / GEN Y (AGED 28-43)	GEN Z (AGED 18-27)
1	YouTube / Music	YouTube / Music	YouTube / Music	YouTube / Music
2	amazon music	amazon music	Spotify	Spotify
3	SiriusXM	Spotify	amazon music	amazon music
4	iHeart RADIO	pandora	Music	Music
5	pandora	SiriusXM	pandora	SOUNDCLOUD
6	Spotify	iHeart RADIO	iHeart RADIO	pandora

SOCIAL MEDIA PLATFORMS

ORDER OF USAGE	BABY BOOMERS (AGED 60-78)	GEN X (AGED 44-59)	MILLENNIALS / GEN Y (AGED 28-43)	GEN Z (AGED 18-27)
1	facebook	facebook	facebook	Instagram
2	Instagram	Instagram	Instagram	TikTok
3	Pinterest	TikTok	TikTok	facebook
4	LinkedIn	X	X	Snapchat
5	nextdoor	LinkedIn	Snapchat	X
6	X	Pinterest	LinkedIn	Discord

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Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

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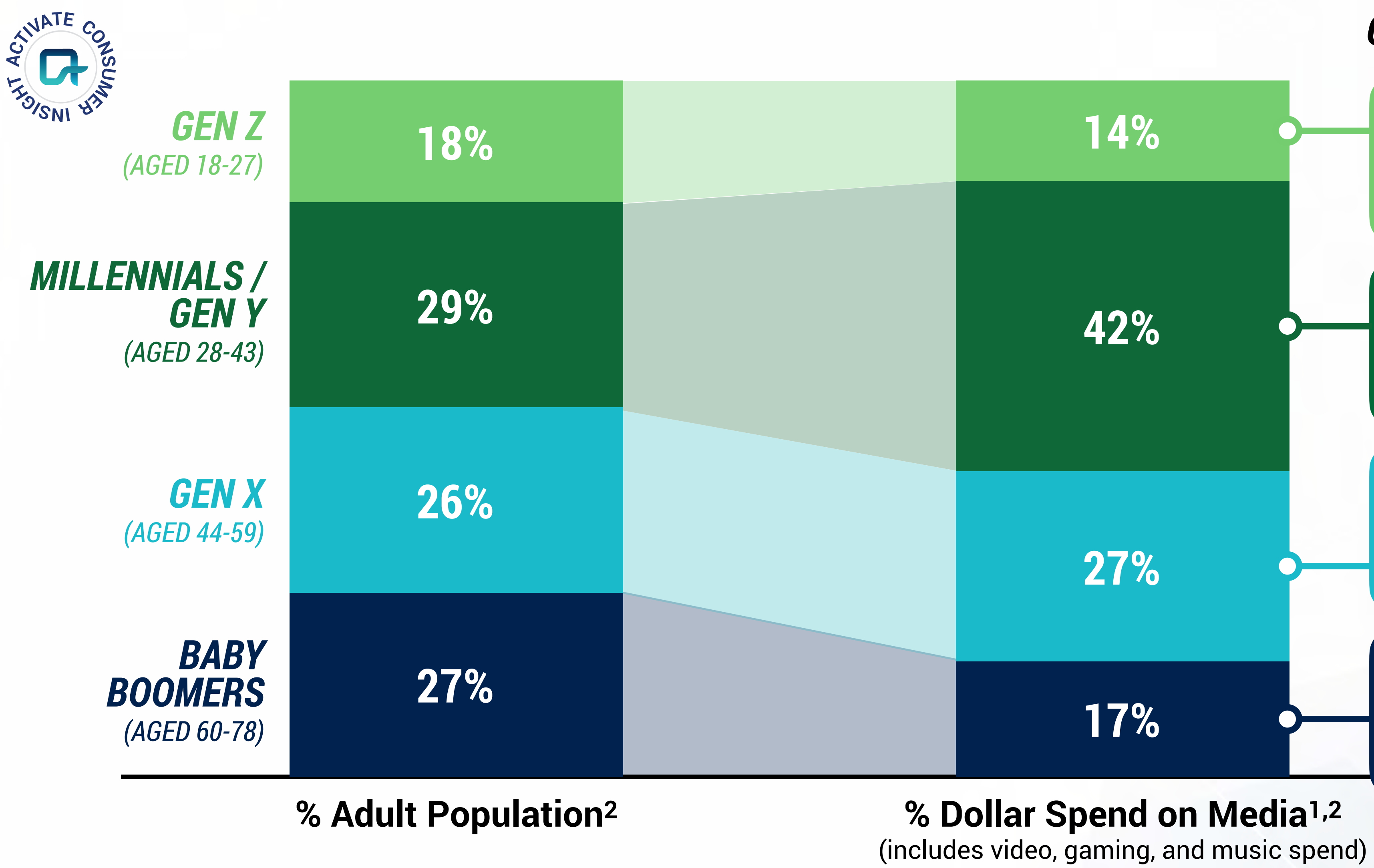
Millennials significantly over-index on video, gaming, and music dollar spend; companies can drive additional spend from each cohort

DOLLAR SPEND ON MEDIA[1,2] BY GENERATION, U.S., 2024, % ADULTS AGED 18+[2] / % TOTAL DOLLAR SPEND ON MEDIA[1,2]



COHORT REVENUE GROWTH OPPORTUNITIES

Target with ad-supported offerings

Super-serve with paid offerings

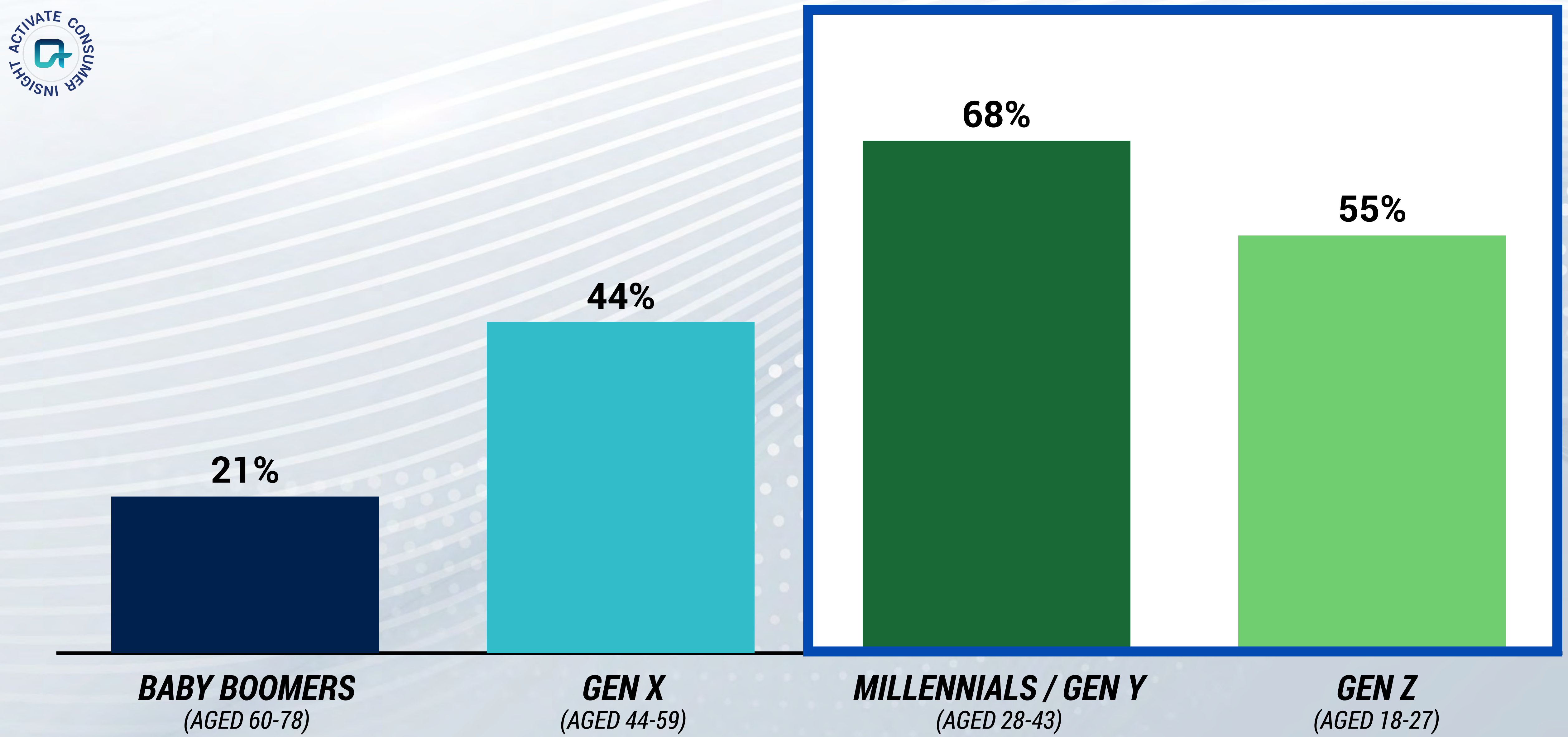
Capture willingness to pay across technology and media types (including and beyond video)

Better address with focused programming and marketing

1. Includes spend on all videos and video services, including traditional/virtual Pay TV, video streaming subscription services, and video purchases/rentals. Includes spend on video games and other video gaming purchases (e.g. in-game purchases, video gaming subscription services) across all devices. Excludes spend on gaming devices and accessories. Includes spend on music and music services. 2. Excludes adults aged 79 and older (e.g. Silent Generation).
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004), eMarketer, Goldman Sachs, Grand View Research, IFPI, Newzoo, Omdia, PricewaterhouseCoopers, Recording Industry Association of America, SiriusXM, Statista

Millennials and Gen Z are the first to buy/use new technology and devices; Millennials have more spending power

PROPENSITY TO BE AMONG THE FIRST FEW TO BUY/USE NEW TECHNOLOGY/DEVICES[1],
U.S., 2024, % ADULTS AGED 18+ BY GENERATION



1. Includes consumers who usually buy/use new technology/devices before anyone else they know and consumers who usually buy/use new technology/devices after a few people they know have done so (but before many people they know have done so).
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

While awareness of generative AI is strong across generations, Millennials and Gen Z are significantly more likely to have used generative AI platforms

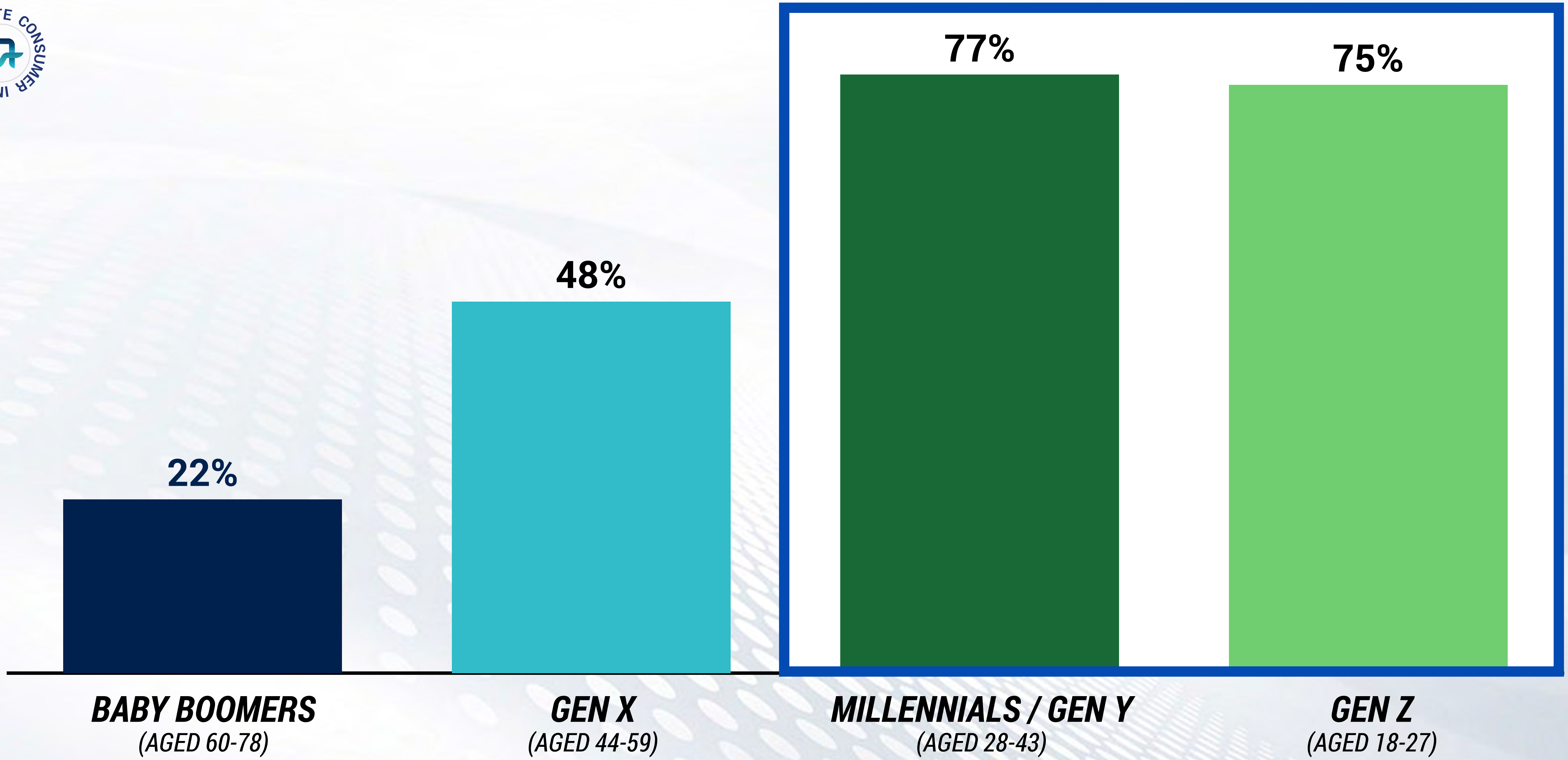
AWARENESS AND USAGE OF GENERATIVE AI PLATFORMS, U.S., 2024, % ADULTS AGED 18+ BY GENERATION

	BABY BOOMERS (AGED 60-78)	GEN X (AGED 44-59)	MILLENNIALS / GEN Y (AGED 28-43)	GEN Z (AGED 18-27)
ARE AWARE OF GENERATIVE AI PLATFORMS	63%	73%	84%	83%
HAVE USED GENERATIVE AI PLATFORMS[1]	27%	50%	71%	66%
CONVERSION RATE[2]	43%	67%	85%	79%

1. Includes consumers who currently use a generative AI platform or have used a generative AI platform in the past.
2. Reflects the share of consumers who are aware of generative AI platforms who have used a generative AI platform.
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

Millennials and Gen Z are also much more likely to engage with emerging technologies, such as AR applications and VR/MR headsets

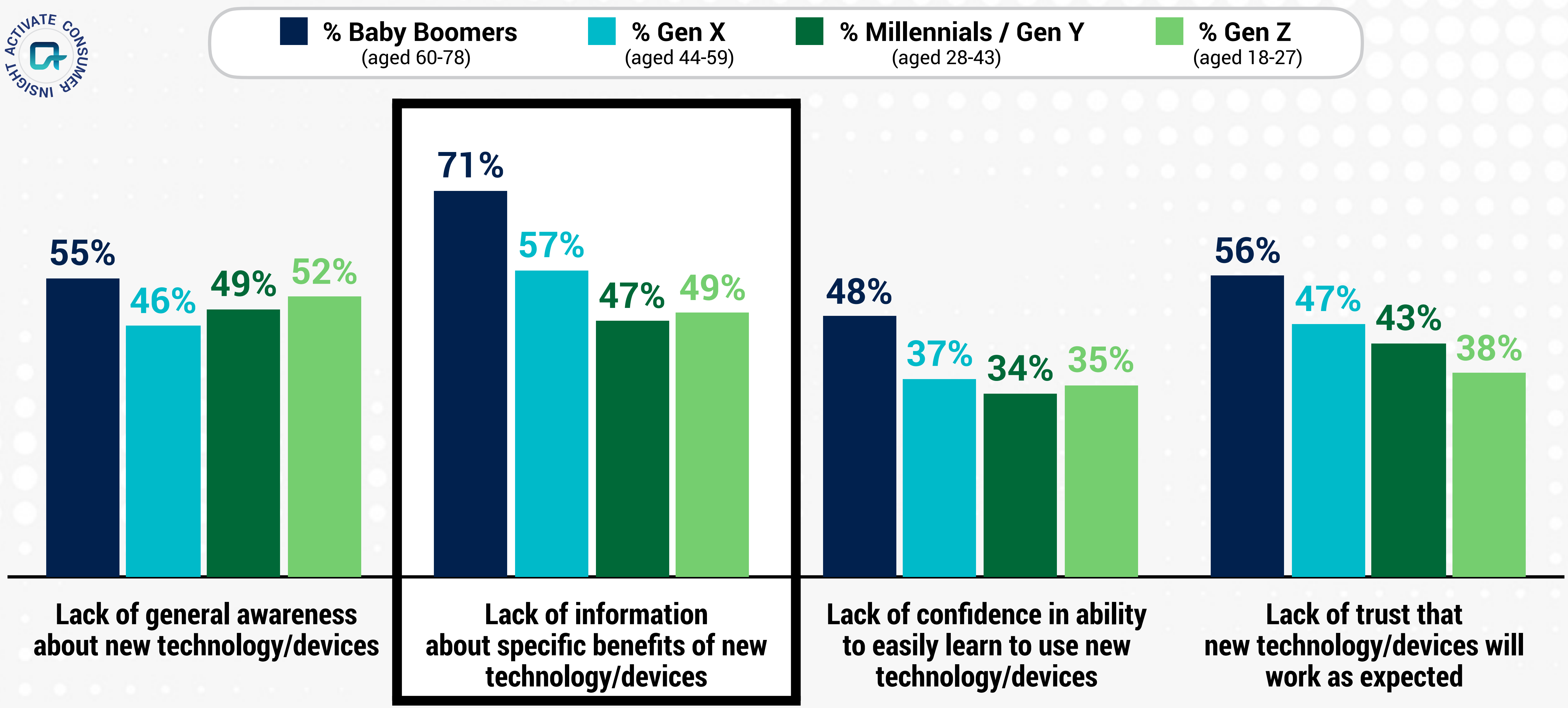
USAGE OF AN AR APPLICATION/TOOL OR VR/MR HEADSET IN THE LAST 12 MONTHS BY GENERATION,
U.S., 2024, % ADULTS AGED 18+ BY GENERATION



Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

Baby Boomers and Gen X need more information (such as targeted marketing, communications, and messaging) to drive their adoption of new technology/devices

BARRIERS TO EARLY ADOPTION OF NEW TECHNOLOGY/DEVICES BY GENERATION[1], U.S., 2024,
% ADULTS AGED 18+ WHO ARE USUALLY NOT AMONG THE FIRST FEW TO BUY/USE NEW TECHNOLOGY/DEVICES[2] BY GENERATION



1. Includes percentage of non-early adopters in each generation who agree or strongly agree with each barrier to early adoption. 2. Includes consumers who usually buy/use new technology/devices after many people they know have done so, consumers who are usually one of the last people they know to buy/use new technology/devices, and consumers who usually never buy new technology/devices.
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

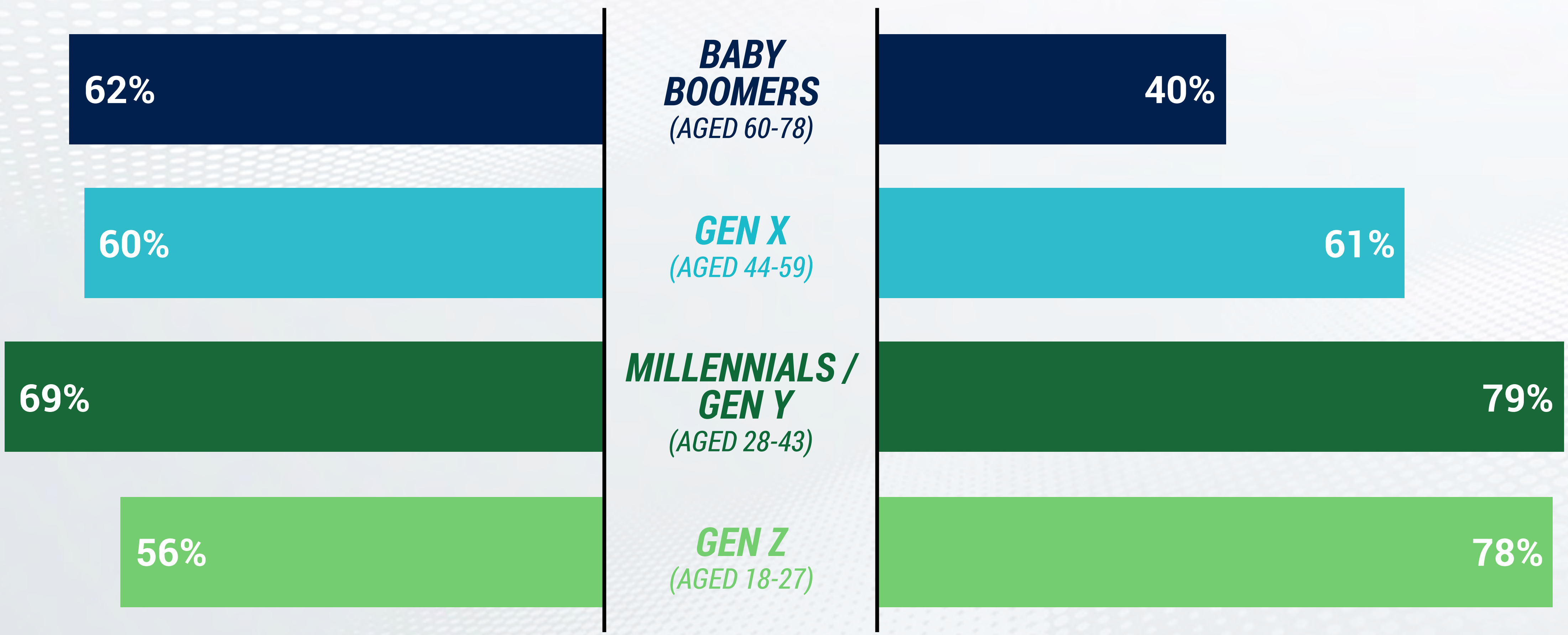
In online shopping, Millennials and Gen Z are more willing to share their data in exchange for personalization; however, all age cohorts are concerned about privacy/security risks

CONCERN ABOUT PRIVACY/SECURITY RISKS FROM ONLINE SHOPPING BY GENERATION, U.S., 2024, % ONLINE SHOPPERS[1] BY GENERATION

SHARING OF PERSONAL INFORMATION WITH ONLINE RETAILERS OVER THE LAST 12 MONTHS BY GENERATION, U.S., 2024, % ONLINE SHOPPERS[1] BY GENERATION

Share of online shoppers[1] who agree that they are concerned about potential privacy/security risks from online shopping

Share of online shoppers[1] who have shared personal information with online retailers to receive enhanced personalization over the last 12 months[2]



1. "Online shoppers" are defined as adults aged 18+ who shopped online at least once in the last 12 months. Shopping includes browsing and making purchases. 2. Includes consumers who have shared their email address and/or phone number to make an account with an online retailer for a personalized experience, completed an online retailer's quiz to receive personalized item recommendations, or allowed an online retailer to track their website/app activity to provide personalized ads.
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

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