

*LMI Digital  
Engagement  
May 2018*



# Definitions - Family/Household of 4

**Federal Poverty Level (FPL):** \$24,300 (2014)

**Median-Income:** \$60,960 (Illinois), \$66,020 (CNJ)

**Low-Income:** 130% of FPL or ~50% AMI

**Moderate-Income:** 200% of FPL or ~80% AMI

**Medicaid Eligible:** 138% of FPL (about 3M people in Illinois)

**SNAP Eligible:** Gross Monthly 130% of FPL (about 642K households/437K families in Illinois): Average \$456/mo/fam 4

**LIHEAP Eligible:** Gross Monthly 150% of FPL: \$100-\$1,164, heating only; Average \$481/yr. 278,254 households applied out of 309,595 households received (2017).

**TANF Eligible:** Pregnant or have children under 19. ~ \$474 for a family of 4.

**HUD Rental Assistance:** Working families (75% of assistance to 209,100 families)

# Illinois Housing

- ~ 13% of households in poverty
- ~ 1,621,508 individuals in poverty
  - 17.5% of children under 18 are below the poverty line
  - 13.8% working age (18-64) women below poverty line
  - 10.4% working age (18-64) men below poverty line
  - 2 - 3 times higher for people of color

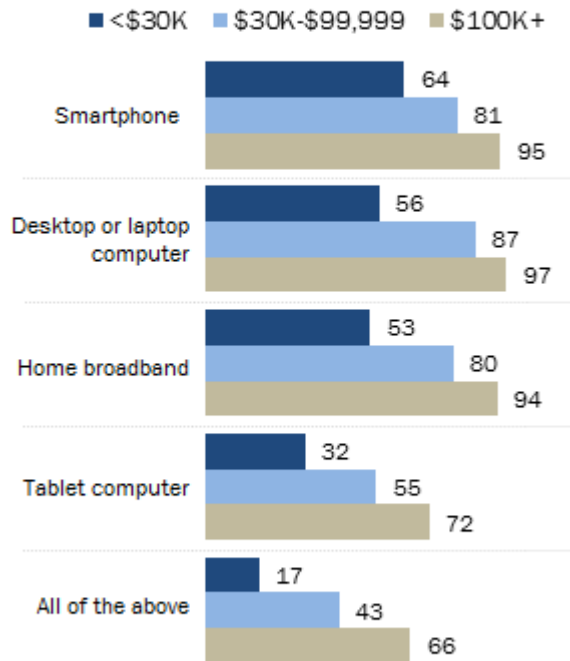
5,326,970 housing units, 66% owner occupied.

- Median age: 34.7. ~14% over 62YO
- Median Monthly Owner Costs (without a mortgage) \$1,623
- Median Monthly Owner Costs (with a mortgage) \$584
- Median Gross Rent \$925
- Electricity = ~6-11% of a monthly low-income budget (~\$91/mo)
- Illinois ranks 47/51 in energy (electricity, gas, petrol) expense (~\$247/mo)

# Low-Income Digital Adoption

## Lower-income Americans continue to lag behind in technology adoption

*% of U.S. adults who have the following ...*

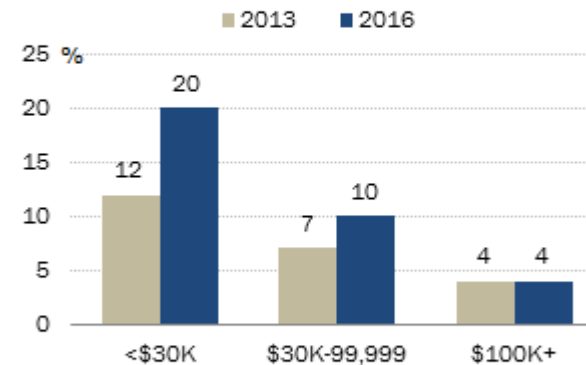


Source: Survey conducted Sept. 29-Nov. 6, 2016.

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## Growing share of low-income Americans are smartphone-only internet users

*% of U.S. adults who have a smartphone but no broadband at home, by annual household income*



Source: Survey conducted Sept. 29-Nov. 6, 2016. Trend data from previous Pew Research Center surveys.

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# Mobile Phone Plan Pricing

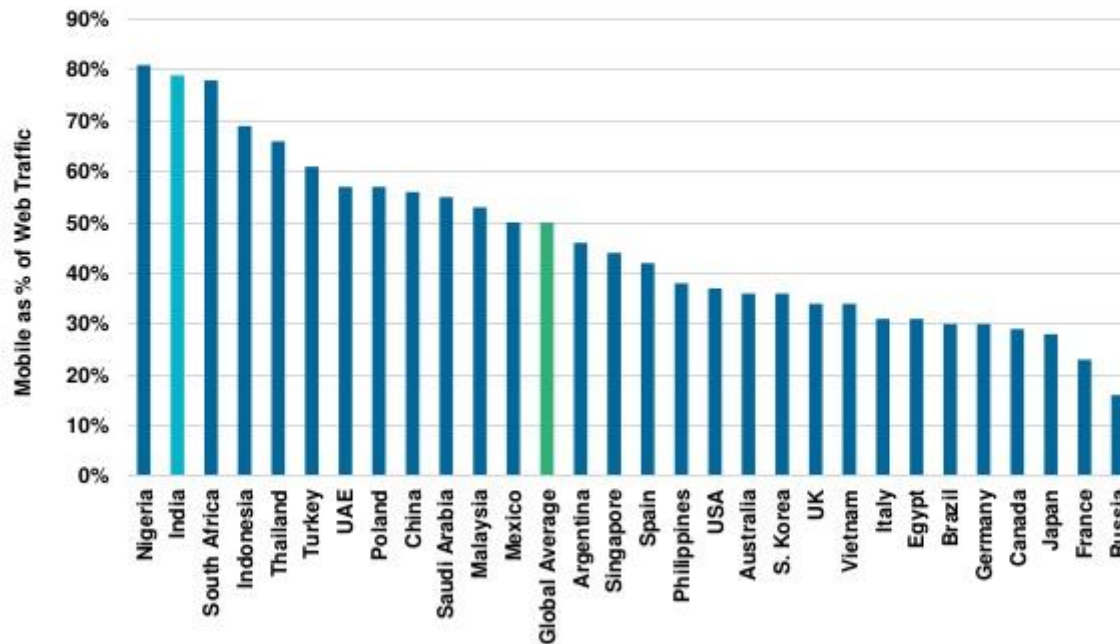
## Price of basic smartphone plans in the United States

Carrier	Price	Data	Minutes/Texts
Verizon (S Plan)	\$35	2GB	Unlimited / Unlimited
Verizon (Prepaid)	\$40	2GB	Unlimited / Unlimited
AT&T (Unlimited Choice Plan)	\$60	Unlimited	Unlimited / Unlimited
AT&T (Prepaid)	\$30	\$5 per 250MB	Unlimited / Unlimited
Sprint (Unlimited Freedom Plan)	\$60	Unlimited	Unlimited / Unlimited
Sprint (Prepaid)	\$40	3GB	Unlimited / Unlimited
T-Mobile (One Unlimited Plan)	\$70	Unlimited	Unlimited / Unlimited
T-Mobile (Prepaid)	\$45	4GB	Unlimited / Unlimited

# Digital Engagement Trends - Global

India Mobile Usage = A Global Leader vs. Desktop Usage...  
~80% of Internet Usage on Mobiles...

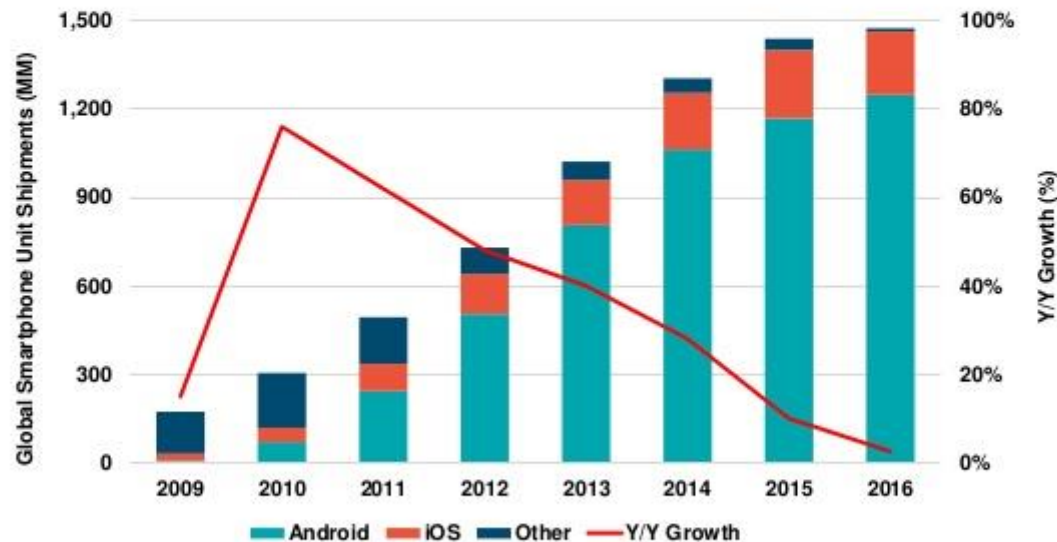
Mobile Share of Web Traffic, 1/17



# Smartphone Device Purchases Flattening

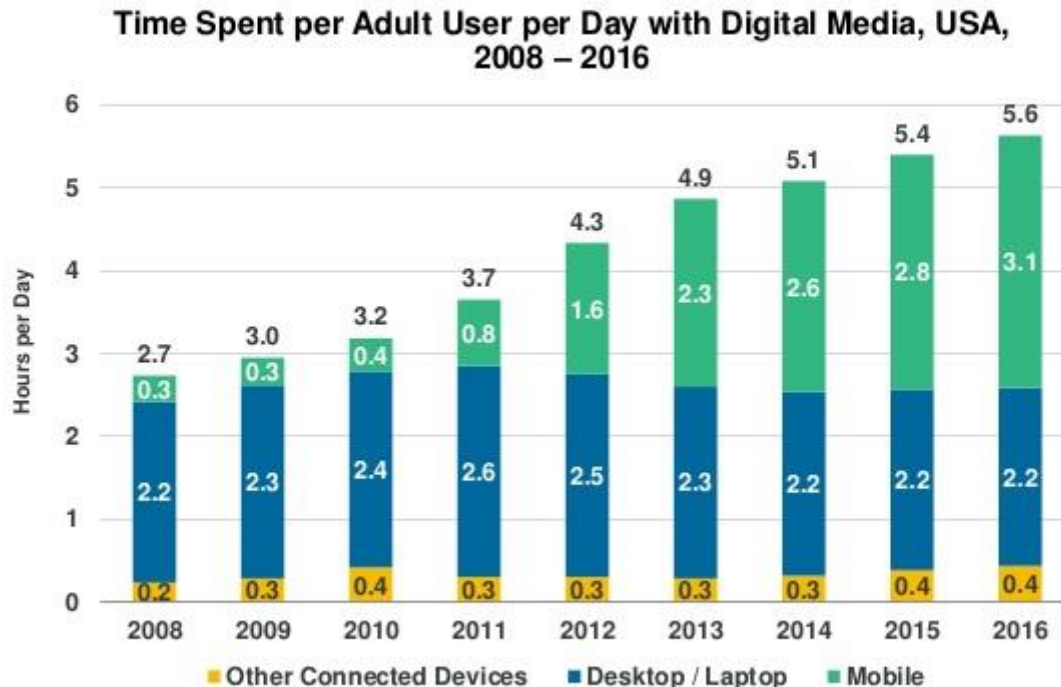
Global Smartphone Unit Shipments = Continue to Slow...  
@ +3% Y/Y vs. +10% (2015) / +28% (2014)

Smartphone Unit Shipments by Operating System (MM), Global, 2009 – 2016



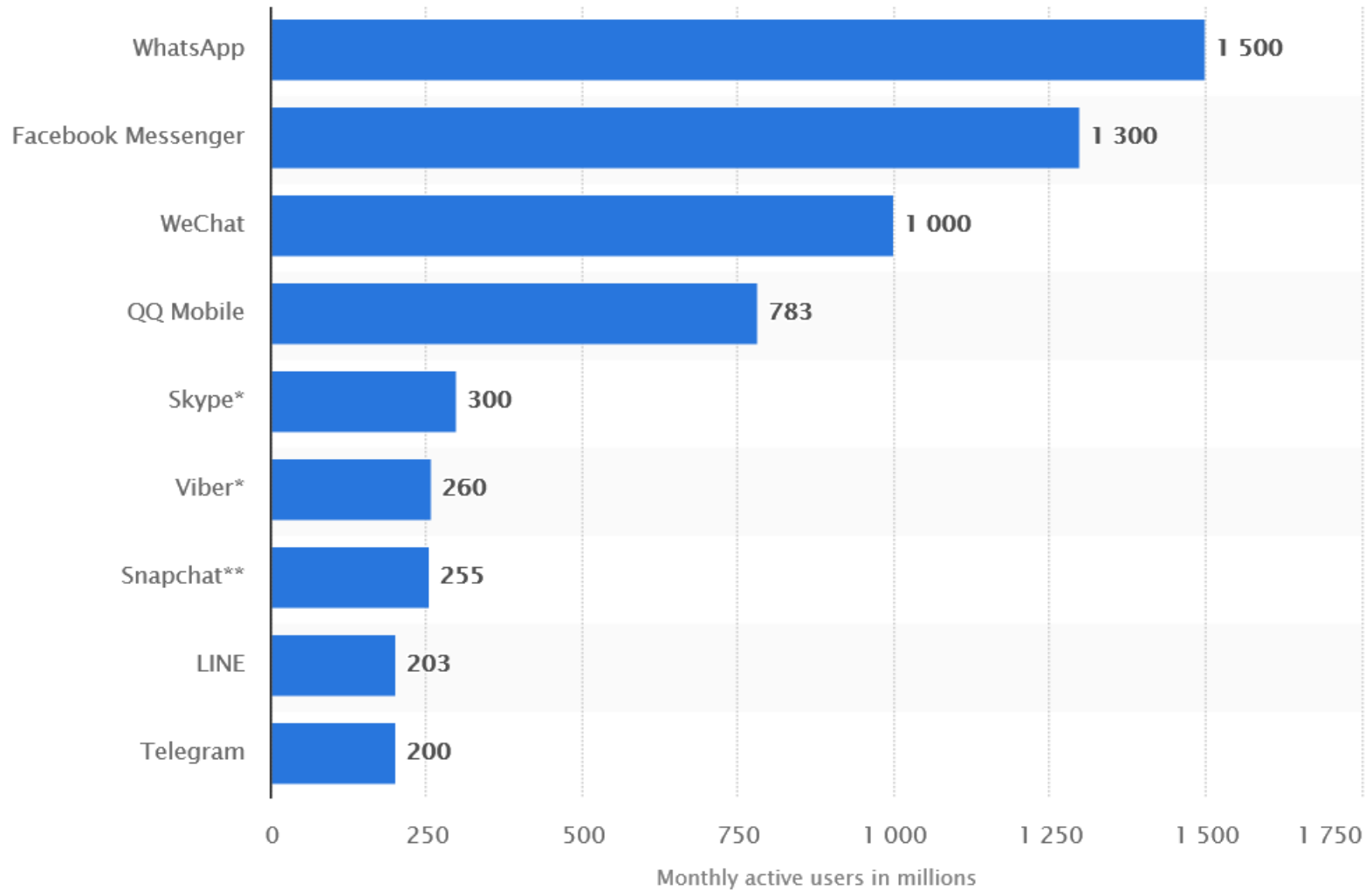
# Digital Engagement Increasing

Internet Usage (Engagement) = Solid Growth...+4% Y/Y...  
Mobile >3 Hours / Day per User vs. <1 Five Years Ago, USA





# Most Popular Messaging Apps



# Digital Purchasing Trends

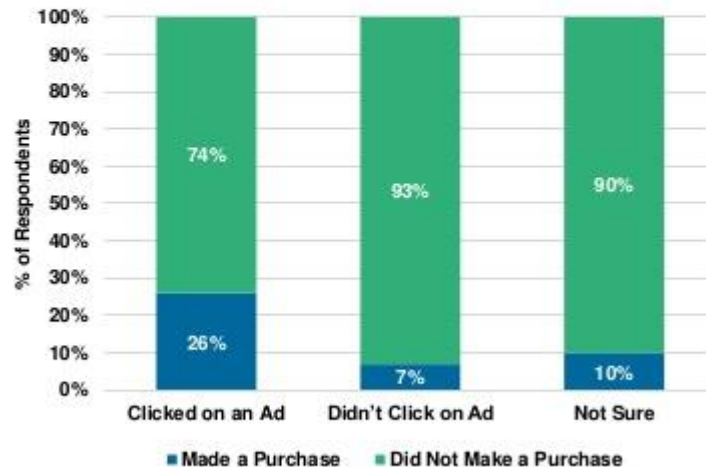
## Contextual Ads (Facebook) = Driving Direct Purchases

### Facebook Users

26% that Click Ads Make Purchase, USA, 3/17

*In past 30 days, have you clicked an ad on Facebook?*

*In past 30 days, have you purchased a product you saw on Facebook?*

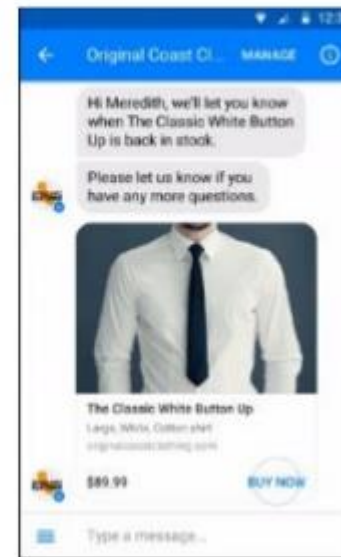


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Source: Survata (4/17), Messenger Image: Facebook Blog (9/16)  
Note: Based on survey of USA internet users, n=1,500 (3/17).

### Facebook Messenger

Conversational Transactions, 9/16



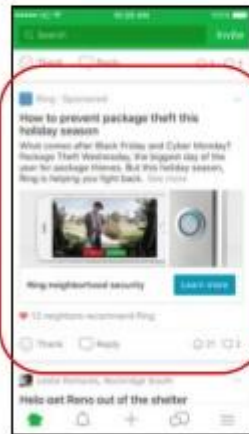
# Social Networking Driving Purchasing

Hyperlocal Targeting (Nextdoor...xAd) =  
From Home (Neighborhood) to Work (Commute)

## Nextdoor

Neighbors Drive Word of Mouth

+8% Engagement Lift  
for Ring



## xAd

Tracking Where / When Purchases  
Likely to be Made



# What Can We Learn From Other Industries?

# Digital Trends - Healthcare

## Healthcare @ Digital Inflection Point

**100 Years Ago**  
Human Touch



**25 Years Ago**  
Machine Assisted / Analog



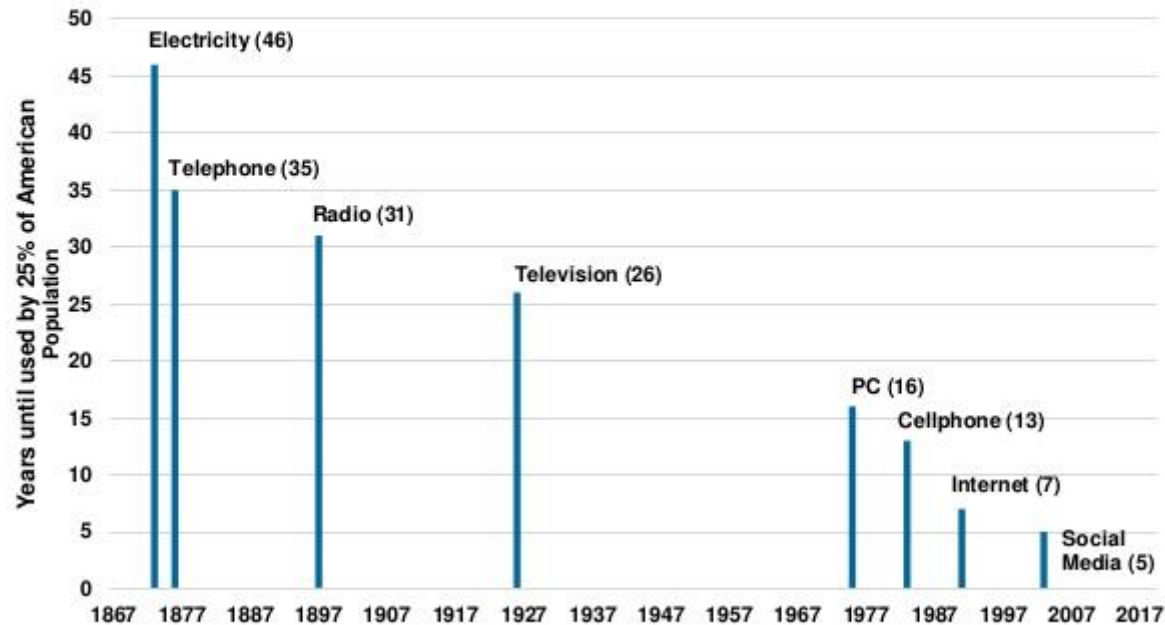
**Today**  
Technology Enabled / Digital



# What's Next?

Digital Health =  
Could It Follow Tech-Like Rapid Adoption Curves?

Acceleration of Technological Adoption Curves 1867-2017



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Sources: The Economist (12/15), Pew Research Center (1/17)  
\*Social Media Adoption based on founding date of MySpace (2003) and Social Media Penetration calculated by Pew Research Center

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# Discussion & Questions

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