6. Online Shopping and Service Use in an Older Population in Scotland
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- 76% of Scotland’s older population use the internet. Internet usage by older people in Scotland is higher than the average across OECD countries.
- The most common internet activities for older people are using email (67%), finding information about goods and services (66%) and online shopping (54%).
- Internet usage is less frequent as age increases. 56% of people aged 80 or over report that they never use the internet.
- Amongst internet users there is no age difference in the proportion using email. Older internet users are less likely to use the internet to find information or shop online.

Introduction

‘Too old to be interested in online shopping and services?’

Societies are ageing not only in Europe but also in many parts of the world (Bailey, 2009; Settersten Jr, 2006; Zniva & Weitzl, 2016. Despite being a global phenomenon, the bulk of existing research is US-focused. The HAGIS (Healthy Ageing In Scotland) study provides an opportunity to explore ageing issues in the Scottish context. The focus of this chapter is on retailing and marketing. The behaviour and attitudes of older people are of considerable interest given the pace of technological advances in retail practices.

Attitudes of older individuals towards online searching for information about goods and services have not been widely investigated (Zniva & Weitzl, 2016), despite increasing technology awareness and usage. Age, personal circumstances and lifestyle have been shown to be important for marketing stimuli (Moschis, et al., 1993). While studies have investigated the dynamics of the ageing process (George & Ferraro, 2015; Mortimer & Shanahan, 2007), little is known about lifestyle and behavioural consequences of older people with regard to internet usage.
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This chapter analyses the HAGIS pilot study with regard to internet usage by older people, specifically searching for information and online purchasing of goods and services as well as the use of email. These activities are becoming increasingly important as they are essential in a variety of sectors including finance and banking (e.g. Milner & Rosenstreicht 2013; Harris, Cox, Musgrove, & Ernstberger, 2016), tourism (e.g. Borges Tiago, Couto, Tiago, & Dias Faria, 2016; Eby & Molnar, 2002), food (e.g. Silvera, Meyer, & Laufer, 2012) and retail (e.g. Lange & Velamuri, 2014). Often marketing practices and activities are designed by people far younger than the targeted group, which can lead to tensions and discrepancies between the desired and received message, and different understandings and perceptions of reality by practitioners and older consumers (Thompson & Thompson, 2009). The consequences are the maintenance or exacerbation of the well-known digital divide, as well as potentially lower sales for the businesses and unmet demands of consumers. Cameron, Richardson, and Siameja (2014) note older consumers’ dissatisfaction with many existing products and services. The issue is thus not just how goods and services are accessed, whether online or in a physical retail setting, but also the suitability or otherwise of such products and services. Both chronological and perceptional age need to be taken into consideration for all marketing and retailing activities (Groeppel-Klein, Helfgen, Spilski, & Schreiber, 2017).

Analysis

The HAGIS project self-completion questionnaire contains questions referring to Internet usage. This data is combined with information from the main questionnaire about respondent demographics, which enables us to consider specific questions in terms of age. 75.6% of HAGIS respondents use the internet. The same proportion (75.8%) is recorded for comparably aged people in England (Banks, Batty, Nazroo & Steptoe, 2016). In an international context Scotland’s older population have a relatively high rate of internet usage. The average percentage share of internet users aged between 55 and 74 in OECD countries is 62.8% (OECD, 2017). As shown in Figure 1, the majority of respondents (62.3%) use the internet frequently (daily or almost every day), whereas 26.0% never use the internet.\(^{11}\)

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\(^{11}\)Consistent with the methodology employed in the English Longitudinal Study of Ageing (ELSA), we define very infrequent internet users (less that once every 3 months) as never users.
The HAGIS questionnaire asks respondents what type of activities they perform on the internet. The most commonly identified activities are using email, finding information about goods and services, and online shopping. Figure 2 shows the proportion of all older people and internet users who perform each activity. 66.8% of Scotland’s older population use email, 66.3% use the internet to find information on goods and services and 54.2% use online shopping. If we restrict attention only to those individuals who report using the internet, 88.4% of internet users use email, 82.3% use the internet to find information about goods and services, 71.7% use online shopping.
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The use, and frequency of use, of the internet decreases with age. Figure 3 depicts average internet usage by age group. 86.9% of HAGIS respondents aged under 60 used the internet daily. For the 60-69 age group daily use of the internet decreases to 70.0%, and further to 50.5% for the 70-79 age group. For individuals aged 80 or over, just 29.5% use the internet regularly. There is a converse and corresponding age gradient in the proportion who report that they never or seldom use the internet. In the under 60 age group 6.21% do not use the internet, increasing to 16.9% for the 60-69 age group, 37.4% for those aged 70-79 and 55.8% for over 80s.

Figure 3. Average internet usage by age groups.

Sending and receiving emails was the most common internet activity reported by HAGIS respondents. As with general internet usage the proportion of Scotland's older people using email decreases with age, as illustrated in Figure 4. Email usage is almost ubiquitous (87.6%) in the youngest age group. With each decade of age the proportion using email reduces. However, amongst internet users there is little difference in email usage across age groups, and no evidence of decreasing use of email according to age. Indeed the highest proportion of internet users using email is found in the oldest age group.
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Figure 4. Email usage by age group

- **Under 60**: 87.92% uses email, 12.08% does not use email.
- **60 to 69**: 72.43% uses email, 27.57% does not use email.
- **70 to 79**: 43.04% uses email, 56.96% does not use email.
- **Over 80**: 43.18% uses email, 56.82% does not use email.

Graphs by age groups

a) Total older population

b) Internet users only

Figure 5 shows the proportion of all older people and internet users who use the internet to find information about goods and services. Again the pattern of decreasing use as age increases is observed. Although a popular activity across internet users, in contrast to email usage, there is a slight decrease in this activity across age groups for internet users.

Figure 5. Finding information about goods and services using the internet by age group.

- **Under 60**: 68.14% uses internet information, 31.86% does not use internet information.
- **60 to 69**: 68.14% uses internet information, 31.86% does not use internet information.
- **70 to 79**: 50.91% uses internet information, 49.09% does not use internet information.
- **Over 80**: 53.68% uses internet information, 46.32% does not use internet information.

Graphs by age groups

a) Total older population

b) Internet users only
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For both the total older population and older internet users there is a marked difference between age groups in the use of online shopping. As shown in Figure 6 most respondents in the under 60 age group (75.9%) report using the internet for retail transactions. A similar proportion in the oldest age group (72.6%) do not use online shopping. Amongst internet users there is also a marked decrease in online shopping with age. Given that email use amongst internet users does not differ significantly across age groups, this suggests that the decrease in online shopping by age does not reflect an aversion to the internet, and could therefore reflect higher preferences towards traditional shopping methods for older people.

**Figure 6. Online shopping by age group**

![Graphs showing online shopping by age group](image)

**Conclusion**

In the international context Scotland’s older population engage with internet activities more than the OECD average. In this chapter we have described the pattern of internet usage in Scotland’s older population. The proportion of individuals using the internet declines for older age groups. Email is the most popular internet activity, for which there is little difference across age cohorts for internet users. In contrast the use of the internet as a tool to search for information about goods and services or for online shopping decreases with age amongst internet users. In particular there is a pronounced aversion to online shopping in the oldest age groups, which may reflect higher preferences for physical retail outlets for older people.
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References


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