

Luxury or Necessity?

Things We Can't Live Without: The List Has Grown in the Past Decade

FOR IMMEDIATE RELEASE

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A Social Trends Report

Things We Can't Live Without: The List Has Grown in the Past Decade

As Americans navigate increasingly crowded lives, the number of things they say they can't live without has multiplied in the past decade, according to a new Pew Research Center survey that asks whether a broad array of everyday consumer products are luxuries or necessities.

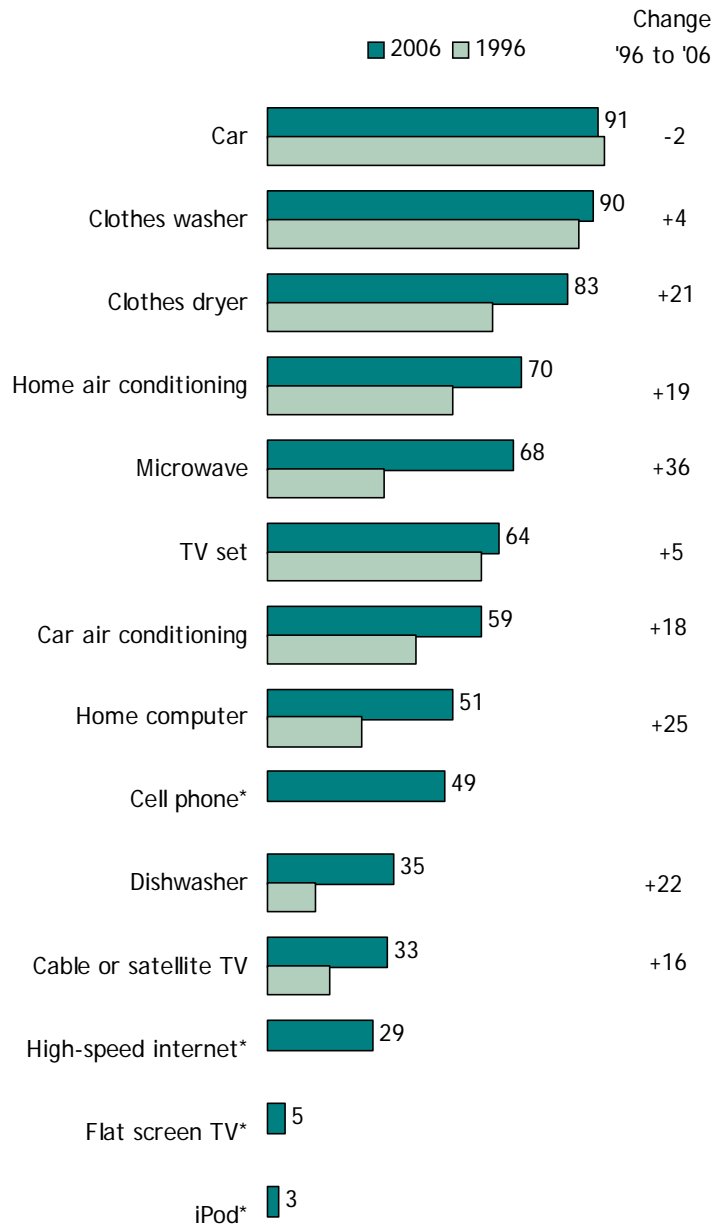
Some of these goods, such as home computers, are relatively recent information era innovations that have been rapidly transformed in the public's eyes from luxury toward necessity.

But other items – such as microwave ovens, dishwashers, air conditioning for the home and car, and clothes dryers – have also made substantial leaps in the past decade even though they've been fixtures on the consumer landscape for far longer.

For example, the percentage of American adults who describe microwave ovens as a necessity rather than a luxury has more than doubled in the past decade, to 68%. Home air conditioning is now considered a necessity by seven-in-ten adults, up from half (51%) in 1996. And more than eight-in-ten (83%) now think of a clothes dryer as a necessity, up from six-in-ten (62%) who said the same a decade ago in a survey conducted by the Washington Post, the Henry J.

What Americans Need: 1996-2006

Percent rating each item as a necessity



Notes: Items with an asterisk were not asked in 1996.

Question wording: Do you pretty much think of this as a necessity or pretty much think of this as a luxury you could do without?

Source: 1996 survey by Washington Post/Kaiser/Harvard; 2006 survey by Pew Research Center

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Kaiser Family Foundation, and Harvard University.

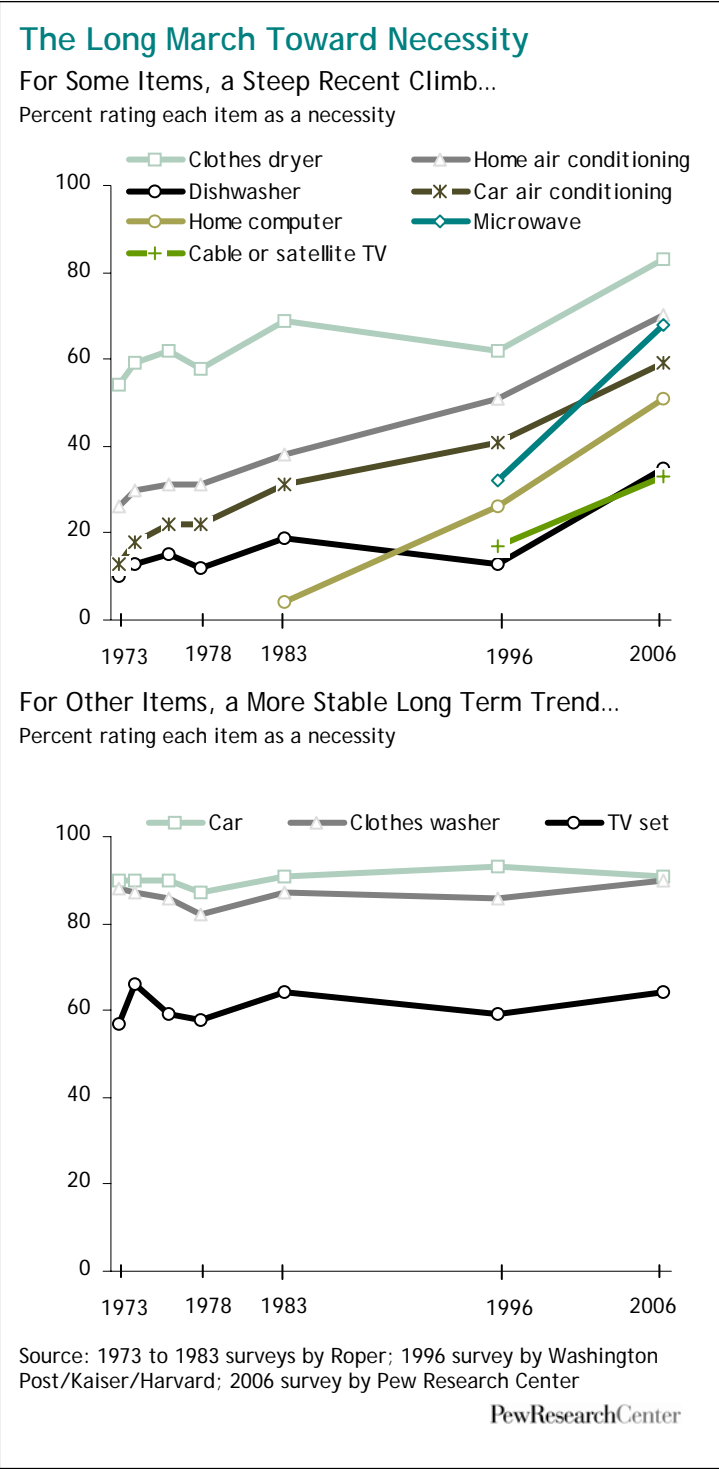
The Pew survey asked the "Luxury or Necessity?" question about 14 different consumer products designed to help make everyday life more productive, more convenient, more comfortable, more efficient or more entertaining. It was conducted by telephone from October 18 through November 9, 2006 among a randomly-selected nationally-representative sample of 2,000 adults.

Survey respondents placed the 14 items on a very broad range along the "necessity" scale -- with a high of 91% describing a car as a necessity and a low of 3% saying the same about an iPod.

But one pattern was consistent: wherever there has been a significant change in the public's judgment about these items, it's always been in the direction of necessity. And on those items for which there are longer term survey trends dating back to 1973, this march toward necessity has tended to accelerate in the past ten years.

The two most ubiquitous products of the information era – home computers and cell phones – are currently situated in the middle of the pack, with the public evenly divided about their status. Computers are deemed a necessity by 51% of the adult public, and cell phones by 49%.

But both of these products are making a swift climb up the necessity scale. A decade ago, just 26% of adults considered the home computer a necessity, and back in 1983, when computers were still a novelty, just 4% felt that way. Meantime, cell phones were still so exotic in 1996 that they weren't even placed on the survey. The same holds for high-speed internet access; it didn't exist as a consumer service



in 1996, but it's now considered a necessity by 29% of the adult public.

The old adage proclaims that “necessity is the mother of invention.” These findings serve as a reminder that the opposite is also true: invention is the mother of necessity. Throughout human history, from the wheel to the computer, previously unimaginable inventions have created their own demand, and eventually their own need. But you don't have to take our word for it — just ask the American public.

Age

The Pew survey finds that people of different ages often make these luxury-or-necessity calculations through different lenses. But the pattern varies. For some items (mainly information era technologies), it's the younger respondents who are more prone to see a necessity. In other cases (mainly home appliances that offer convenience, comfort and entertainment), it's the older respondents more inclined to see a necessity.

For example, more than twice as many younger adults (ages 18 to 29) than older adults (65 and over) consider home computers and high-speed internet access a necessity. (However, among those who use the internet, these age differences largely disappear.)

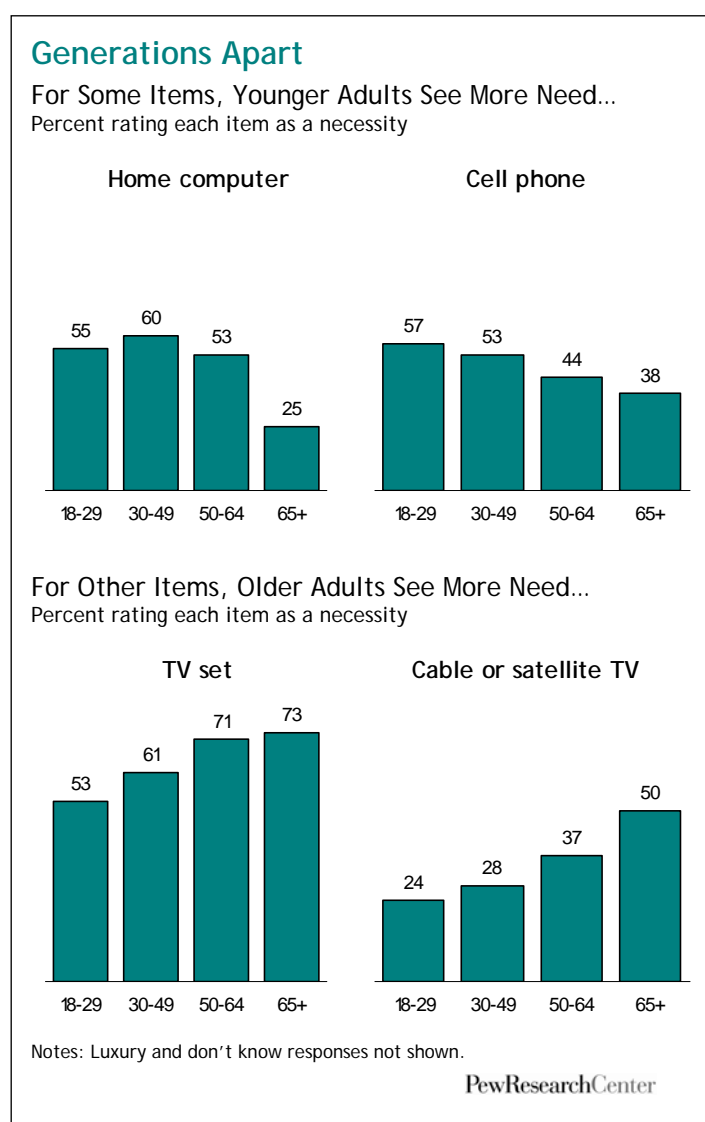
Also, more younger than older adults say that cell phones are a necessity.

On the other hand, more older adults than younger adults consider home and car air conditioning, dishwashers and clothes washers and dryers to be a necessity. The same holds for television sets and for cable or satellite television services; older adults are more prone to see these, too, as necessities.

Not so, however, for two of the more recent entertainment product innovations – flat screen, plasma or high definition televisions and iPods. Here, the “necessity” skew is in the direction of younger adults, even though only a relative few (8%) of 18 to 29 years olds view these goods as necessities. (At least for now.)

Finally, there are a couple of items – a car and a microwave – for which age makes little or no difference in these assessments.

The views of those in the middle age groups (ages 30 to 49 and 50 to 64) are similar to those of their younger (ages 18 to 29) on some of the items and more like those of their elders (ages 65 and older) for others. But when it comes to age, the overall findings tend to confirm what the philosophers and poets have observed through the millennia -- life unfolds in phases, each with its own menu of wants, desires and needs.



However, as public attitudes on these luxury-or-necessity questions have migrated toward “necessity” in the past decade, for most items these changes have taken place at a similar pace among all age groups. One exception, has to do with views about the television. An identical percentage of 18-to-29 year olds now as in 1996 (53%) describe the television as a necessity. But among those over age 65, somewhat more respondents now (73%) than in 1996 (65%) say the TV is a necessity.

Income

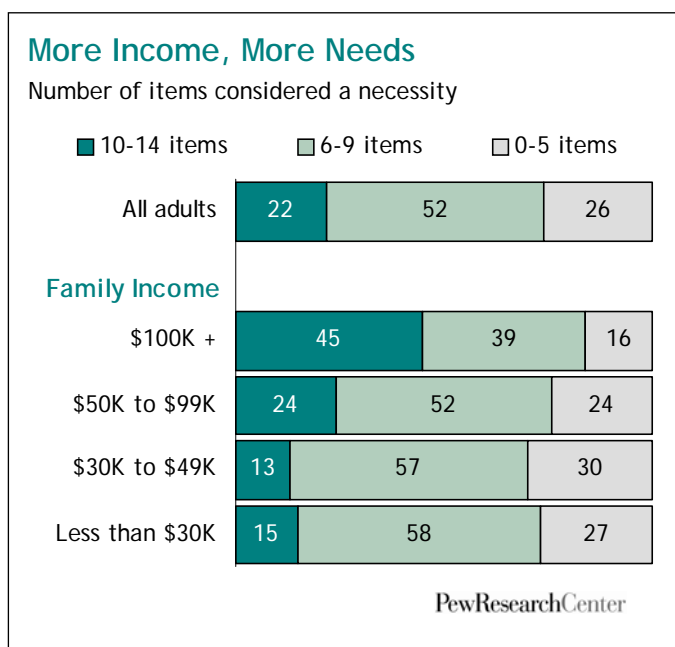
When it comes to income levels, the story is different. Here, the pattern tends to play out in one direction only: the more income a person has, the more likely he or she is to view goods and gadgets as necessities rather than luxuries.

However, the degree of variance varies. For some items, it is fairly significant and for others it is minor or non-existent.

Income makes a big difference when it comes to three information era items – home computers, high-speed internet access and cell phones. It also has an effect on attitudes toward one old warhorse of a home appliance – the dishwasher; and on one creature comfort – the car air conditioner.

It makes a smaller difference for cars and for clothes washers and dryers.

And it makes virtually no difference for a mixed bag of items, including home air conditioning, a microwave, and a battery of entertainment products, including a television, high definition television, satellite and cable TV services, and an iPod.



Overall, some 45% of adults with family incomes of \$100,000 and above rate at least 10 of these 14 items as necessities, while just 15% of adults with incomes below \$30,000 do the same. In short, the more money you have, the more things you need.

Other Demographic Correlations

When we analyzed the full battery of survey responses by a broad range of demographic traits – including gender, region, marriage and parenting status, race and ethnicity -- we did not find any other characteristics that were as strong as age or income in predicting how people would respond. However, there are some other patterns worthy of note:

- **Out in the country, a simpler life:** Rural residents are less likely than those who live either in the city or the suburbs to view these 14 items as necessities. Of people living in rural areas, fully a third say just 0 to 5 of these items are necessities, compared with 23% of those in cities and 24% of those in suburbs. This difference holds even after controlling for income and internet use.
- **Honey, it's hot outside:** More than eight-in-ten (84%) Sunbelt residents¹ think of home air conditioning as a necessity, compared with just 61% of those who live elsewhere in the country. There's a similar but slightly smaller regional difference in views about car air conditioning – 69% of those in the Sunbelt say it's a necessity, compared with 54% of everyone else.
- Men are slightly more inclined than women to view the two kitchen appliances on the list – microwave and dishwasher – as necessities. Women are slightly more inclined than men to see car air conditioning as a necessity. Other than that, there are no sizeable gender differences on this battery of questions.
- Differences by race and ethnicity are either modest or non-existent. However, the cell phone is an exception. Six-in-ten (59%) Hispanics consider them a necessity, compared with fewer than half of non-Hispanic whites (46%) and non-Hispanic blacks (47%). (According to the 2005 National Health Interview Survey, Hispanics are more likely than non-Hispanics to live in cell-only households. The Pew survey, however, is based on a landline sample of households and does not include the cell-only population.)
- The more years of schooling a person has had, the more likely he or she is to view a home computer and a high-speed internet connection as a necessity. Also, as expected, being an internet user correlates very strongly with considering these items a necessity.

¹ U.S. Census definition of sunbelt includes 9 counties in CA, 1 county in NV, and all of NC, SC, GA, FL, AL, MS, LA, TN, AR, OK, TX, NM, AZ .

Does Necessity Line up with Ownership?

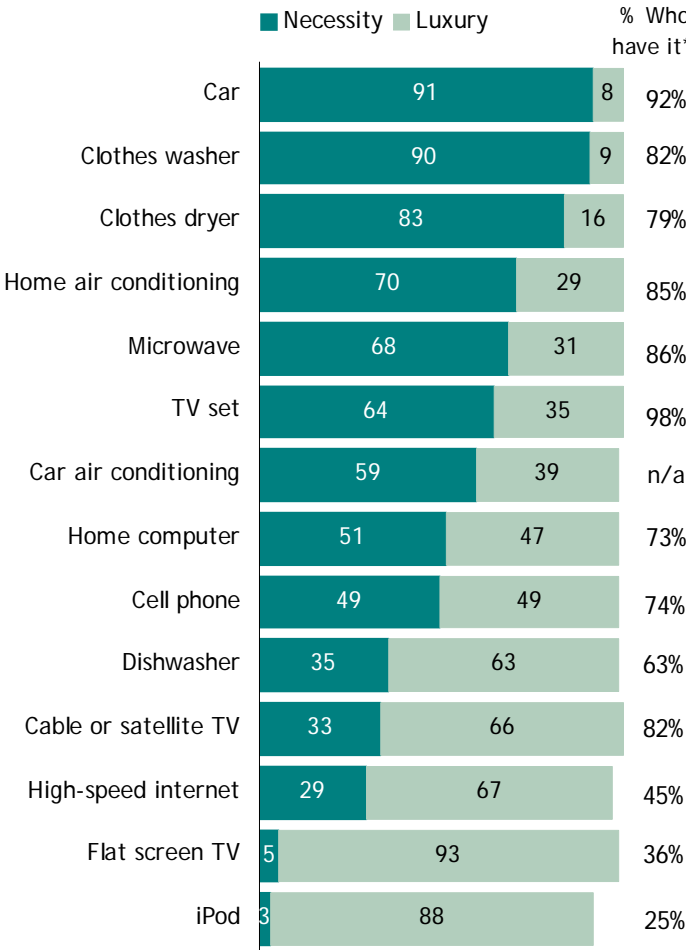
Having something can sometimes be a proxy for needing something. But not always.

For example, a nearly identical percentage of the public owns a car (92%) and considers a car a necessity (91%). On the other hand, nearly everyone (98%) owns a television, but just 64% of adults consider it a necessity. Also, more than eight-in-ten (82%) have a satellite or cable television service, but just a third consider it a necessity.

Two items on the list – a clothes washer and dryer – are anomalies for a different reason. They’re the only ones for which the percentage of the public that considers them a necessity is greater (albeit only slightly) than the percentage of the public that owns them.

Do You Have It? Do You Need It?

Do you pretty much think of this as a necessity or pretty much think of this as a luxury you could do without?



*Sources:
 Percentage of occupied housing units with one or more vehicles, American Housing Survey for the United States: 2005. Figure 1.
 Percentage of occupied housing units with a washing machine, clothes dryer, air conditioning for home, dishwasher, American Housing Survey for the United States: 2005. Figure 1 or Table 1A-4.
 Percentage of households with a television set, Statistical Abstract of the United States: 2006. Table 1117, based on trade association sources.
 Percentage of adults with any type of personal computer, including laptops in the home; cable or satellite television service; a cell phone; high-speed internet access at home; an iPod or other portable digital music player, Pew Research Center for the People & the Press survey, May 2006.
 Percentage of adults with a flat screen, plasma, or high-definition TV in their household, Pew Research Center survey, March 2006.
 Percentage of households with a microwave oven, 2001 Residential Energy Consumption Survey, Energy Information Administration.
 n/a indicates information not available.

About the Pew Social Trends Reports

The Pew social trends reports explore the behaviors and attitudes of Americans in key realms of their lives – family, community, health, finance, work and leisure. Reports analyze changes over time in social behaviors and probe for differences and similarities between key sub-groups in the population.

The surveys are conducted by the Pew Research Center, a nonpartisan “fact tank” that provides information on the issues, attitudes and trends shaping America and the world.

Survey reports are the result of the collaborative effort of the social trends staff, which consists of:

Paul Taylor, Executive Vice President
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About the Survey

Results for this survey are based on telephone interviews conducted with a nationally representative sample of adults, ages 18 years and older, living in continental U.S. telephone households.

- Interviews conducted Oct. 18 - Nov. 9, 2006
- 2,000 interviews
- Margin of sampling error is plus or minus 2.5 percentage points for results based on the total sample at the 95% confidence level. The margin of sampling error is higher for results based on subgroups of respondents.

Survey interviews conducted under the direction of Princeton Survey Research Associates International. Interviews were conducted in English and Spanish.

Bear in mind that question wording and practical difficulties in conducting surveys can introduce error or bias in the findings of opinion polls.

PEW SOCIAL TRENDS
 FINAL TOPLINE
 OCTOBER 18 - NOVEMBER 9, 2006
 N=2000

QUESTIONS 1 THROUGH 38 HELD FOR FUTURE RELEASE OR PREVIOUSLY RELEASED

ASK ALL:

Q.39 Now I'm going to read you a list of things. For each one, please tell me whether you pretty much think of it as a necessity or pretty much think of it as a luxury you could do without. First, [INSERT ITEM; RANDOMIZE]
READ IF NECESSARY: Do you pretty much think of this as a necessity or pretty much think of this as a luxury you could do without?²

		Necessity	Luxury	DK/Ref
a.	A car ³	91	8	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	93	7	*=100
	Dec 1983 <i>Roper</i>	91	9	0=100
	Dec 1978 <i>Roper</i>	87	12	1=100
	Dec 1976 <i>Roper</i>	90	10	1=101
	Dec 1974 <i>Roper</i>	90	9	1=100
	Dec 1973 <i>Roper</i>	90	9	1=100
b.	A clothes washer	90	9	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	86	14	*=100
	Dec 1983 <i>Roper</i>	87	13	0=100
	Dec 1978 <i>Roper</i>	82	17	1=100
	Dec 1976 <i>Roper</i>	86	14	1=101
	Dec 1974 <i>Roper</i>	87	12	1=100
	Dec 1973 <i>Roper</i>	88	11	1=100
c.	A TV set	64	35	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	59	41	0=100
	Dec 1983 <i>Roper</i>	64	36	0=100
	Dec 1978 <i>Roper</i>	58	41	1=100
	Dec 1976 <i>Roper</i>	59	40	1=100
	Dec 1974 <i>Roper</i>	66	33	1=100
	Dec 1973 <i>Roper</i>	57	42	1=100
d.	A clothes dryer	83	16	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	62	38	0=100
	Dec 1983 <i>Roper</i>	69	31	1=101
	Dec 1978 <i>Roper</i>	58	42	1=101
	Dec 1976 <i>Roper</i>	62	37	1=100
	Dec 1974 <i>Roper</i>	59	39	2=100
	Dec 1973 <i>Roper</i>	54	44	2=100

² The Washington Post/Kaiser/Harvard question from July 1996 was worded "Now I'm going to read you a list of all different kinds of things. For each one, please tell me whether you personally pretty much think of it as a necessity or pretty much think of it as a luxury you could do without?" The Roper surveys from 1973 to 1983 were administered as face to face interviews and the question was worded "Now, here is a list of all different kinds of things. Would you read down that list and tell me for each one whether you personally think of it pretty much as a necessity or pretty much as a luxury you could do without?" Some of the trends do not total to 100% due to rounding.

³ For the Washington Post/Kaiser/Harvard and Roper surveys, the item was listed as "an automobile."

Q.39 CONTINUED...

		Necessity	Luxury	DK/Ref
e.	Air conditioning for your home	70	29	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i> ⁴	51	49	*=100
	Dec 1983 <i>Roper</i>	38	61	1=100
	Dec 1978 <i>Roper</i>	31	69	1=101
	Dec 1976 <i>Roper</i>	31	68	1=100
	Dec 1974 <i>Roper</i>	30	69	1=100
	Dec 1973 <i>Roper</i>	26	72	2=100
f.	Air conditioning for your car	59	39	2=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i> ⁵	41	59	0=100
	Dec 1983 <i>Roper</i>	31	68	1=100
	Dec 1978 <i>Roper</i>	22	77	1=100
	Dec 1976 <i>Roper</i>	22	77	2=101
	Dec 1974 <i>Roper</i>	18	80	2=100
	Dec 1973 <i>Roper</i>	13	86	1=100
g.	A dishwasher	35	63	2=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	13	86	0=99
	Dec 1983 <i>Roper</i>	19	80	1=100
	Dec 1978 <i>Roper</i>	12	87	1=100
	Dec 1976 <i>Roper</i>	15	83	1=99
	Dec 1974 <i>Roper</i>	13	85	2=100
	Dec 1973 <i>Roper</i>	10	89	1=100
h.	A computer for home use	51	47	2=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	26	74	*=100
	Dec 1983 <i>Roper</i>	4	94	2=100
i.	A microwave	68	31	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i>	32	68	0=100
j.	Cable or satellite television service	33	66	1=100
	July 1996 <i>Washington Post/Kaiser/Harvard</i> ⁶	17	83	0=100
k.	A cell phone	49	49	2=100
l.	High-speed internet access	29	67	4=100
m.	An iPod	3	88	9=100
n.	A flat screen, plasma, or high-definition TV	5	93	2=100

QUESTIONS 40 THROUGH END IN PREVIOUS RELEASE OR HELD FOR FUTURE RELEASE

⁴ For the Washington Post/Kaiser/Harvard and Roper surveys, the item was listed as "Air conditioners for your home."

⁵ The trend for the Washington Post/Kaiser/Harvard survey and the Roper surveys were worded "automobile air conditioning."

⁶ The item for Washington Post/Kaiser/Harvard was worded "basic cable television."

Rating Needs by Age

Percent rating each item as a necessity

	All Adults	Age 18-29	Age 30-49	Age 50-64	Age 65+
	%	%	%	%	%
Car	91	90	95	93	84
Clothes washer	90	84	91	92	92
Clothes dryer	83	75	83	86	87
Home air conditioning	70	67	66	72	77
Microwave	68	72	61	69	75
TV set	64	53	61	71	73
Car air conditioning	59	52	56	64	71
Home computer	51	55	60	53	25
Cell phone	49	57	53	44	38
Dishwasher	35	30	33	37	44
Cable or satellite TV	33	24	28	37	50
High-speed internet	29	34	32	30	14
Flat screen TV	5	8	2	4	7
An iPod	3	8	2	2	2
Sample size	2,000	248	661	573	470

Notes: Luxury and don't know responses not shown.

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Rating Needs by Family Income

Percent rating each item as a necessity

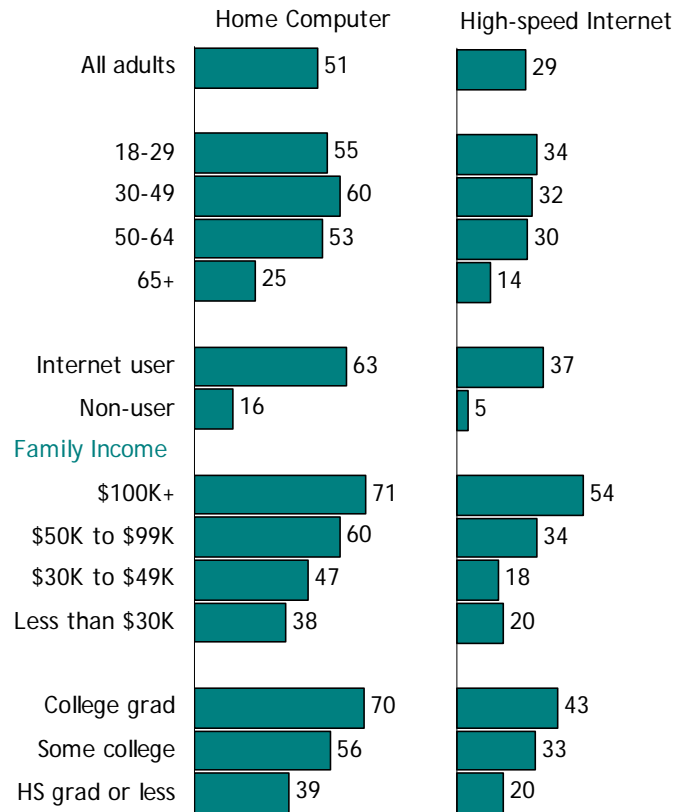
	All Adults	\$100K+	\$50K- \$99K	\$30K- \$49K	Under \$30K
	%	%	%	%	%
Car	91	96	95	92	88
Clothes washer	90	94	92	90	87
Clothes dryer	83	90	87	85	77
Home air conditioning	70	73	67	65	71
Microwave	68	72	65	60	72
TV set	64	65	63	62	66
Car air conditioning	59	71	60	53	57
Home computer	51	71	60	47	38
Cell phone	49	68	50	47	40
Dishwasher	35	54	38	28	27
Cable or satellite TV	33	39	31	29	32
High-speed internet	29	54	34	18	20
Flat screen TV	5	5	4	3	6
An iPod	3	5	3	3	3
Sample size	2,000	313	478	359	481

Notes: Luxury and don't know responses not shown.

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Computer and High-speed Internet

Percent rating each item as a necessity

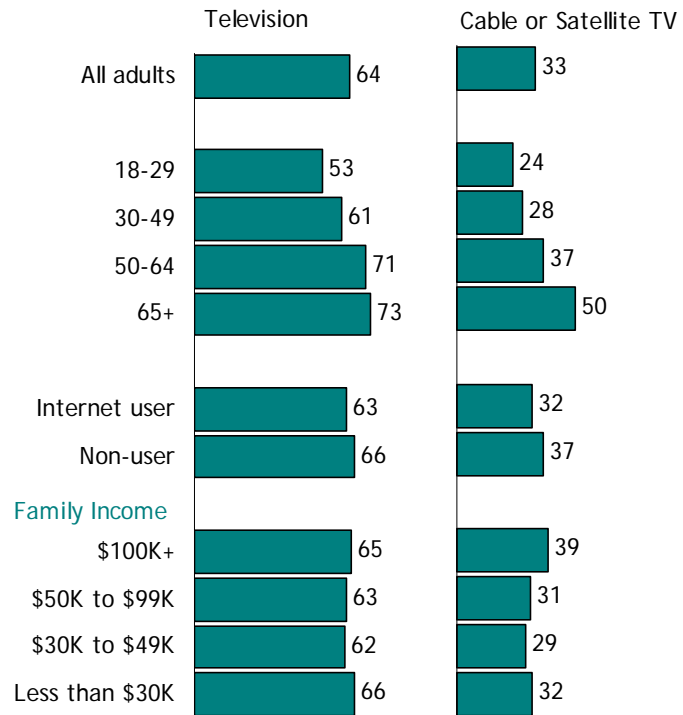


Notes: Luxury and don't know responses not shown.

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Television and Cable TV

Percent rating each item as a necessity

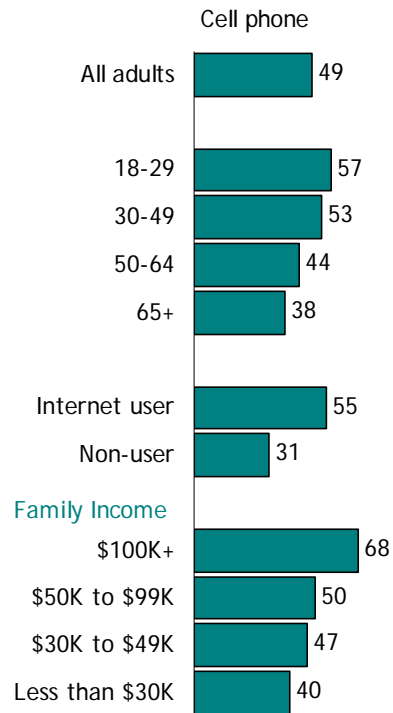


Notes: Luxury and don't know responses not shown.

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Cell phone

Percent rating a cell phone as a necessity

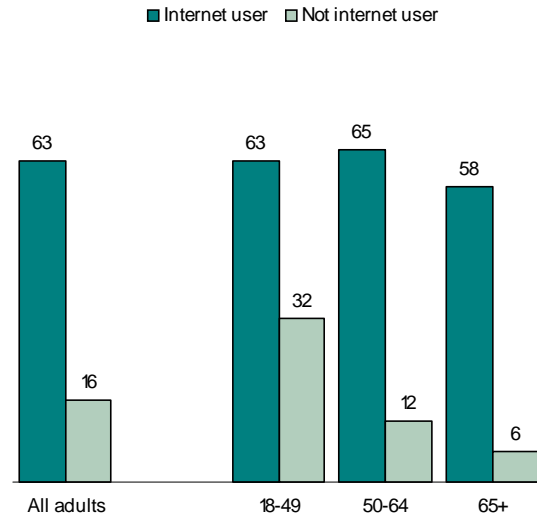


Notes: Luxury and don't know responses not shown.

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Internet Users of All Ages See Need for Home Computer

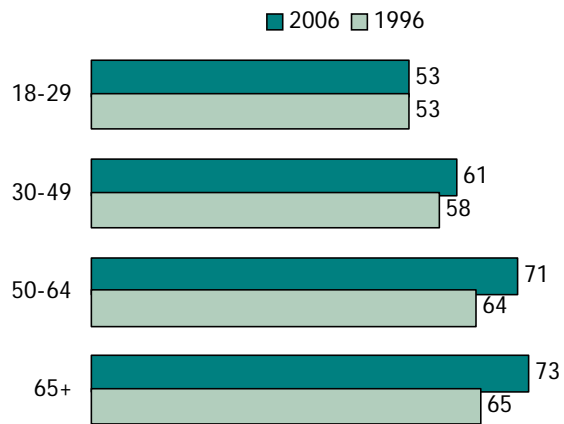
Percent rating a computer for home use as a necessity



Notes: Luxury and don't know responses not shown.

Television: A Growing Need for Older Folks

Percent rating a TV set as a necessity



Younger adults (ages 18 to 29) were less likely than older adults (ages 50 and older) to consider a television set a necessity in both 1996 and today. This age difference is larger now. For those over age 50, somewhat more respondents now than in 1996 say the TV is a necessity.

Notes: Luxury and don't know responses not shown.

Source: 1996 survey by Washington Post/Kaiser/Harvard; 2006 survey by Pew Research Center

PewResearchCenter