



How can you adapt to your customers' changing digital needs?

Decoding the digital home Belgium



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Building a better
working world

Diversity in the digital household

Households are enjoying unprecedented levels of connectivity, transforming their social and home lives as well as their viewing and working habits. This is driving major changes in what they consume and how they do so. But doubts also exist as many seek digital downtime, stick with the familiar and worry about trust and privacy.

In this increasingly complex world, one thing is clear: today's consumer will not be satisfied by a one-size-fits-all service. EY's consumer research details these changes in consumer sentiment, providing a platform for TMT companies to create better customer experiences.

Research methodology

Decoding the digital home is based on EY's latest research into household attitudes to connectivity and content. It draws on insights generated through an online survey of 2,500 Belgian consumers conducted in 2018.

Additional analysis and insight have been provided by EY's team of technology, media and telecommunications professionals.

Three key considerations

- 1. Connected home is where the heart is** – consumers continue to warm to new products, services and experiences.
- 2. Doubts at the door** – some consumers are experiencing digital fatigue, legacy behaviors remain relevant to many and privacy and security concerns are on the rise.
- 3. Adapting to nuanced needs and attitudes is the key to success** – service providers that cater for the growing diversity of digital home needs will thrive in the long-term. Harnessing the power of the familiar with the attraction of the new is essential.





Connected home is where the heart is

Households are enjoying unprecedented levels of connectivity, transforming their social and home lives.

Social media and work are now at the heart of the home.

Just over half (53%) of all the Belgian households surveyed believe the internet is fundamental to their social lives. Only 20% disagree, with the remainder undecided.

The internet has also blurred the boundaries between home and work. 47% of households think the internet is very important to their household in terms of working from home or running a business from home. This is an important reminder that the modern household's reliance on home connectivity now goes far beyond entertainment.

As connectivity becomes increasingly central to home life, 67% of Belgian households spend over 10 hours online each week.

TV shows staying power in the age of the internet

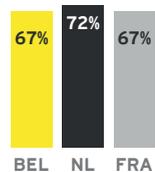
The internet is grabbing a large share of household attention. Nearly half (49%) of Belgian survey respondents agreed that some household members spend a lot more time on the internet than watching TV. By comparison, the figure was lower in the Netherlands (41%) and higher in France (50%).

But there is also good news for established media players: 63% of Belgian consumers agree with the statement that 'My household mainly watches TV on traditional channels', although this figure was higher the Netherlands (68%) and significantly higher in France (73%).



53%

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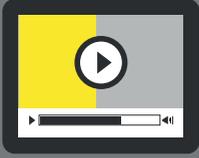


% of consumers spending over 10 hours online each week.



49%

spend more time on the internet than watching TV.



46%

agree that people in their household watch short video clips online.



50%

agree that they need to access the internet on the move.

Mobile devices are changing the game

Smartphones and tablets are changing the way households consume content.

Is mobile becoming part of the furniture?

Mobile devices are increasingly being used as the primary home internet device. 18% of Belgian survey respondents said they now use smartphone or tablets as the main way they access the internet, ahead of their French (11%) neighbors but slightly behind the Dutch (23%).

Multi-tasking, not mobility, is the main driver.

Many might expect portability to be the key attraction of mobile devices, enabling householders to watch, work or play anywhere in the home. But the top factor, chosen by 51% of the Belgian households that use mobile as their main way to go online, was the ability to use such devices while doing something else. Perhaps that's one reason why traditional TV channels are holding up so well despite people's ever increasing time spent online. In a multi-tasking world, there is more screen time for everyone.

Honey, who shrunk the content?

Households' taste for mobile devices is also shaping content, with short-form consumption now the norm. In other words, less War and Peace and more World's Funniest Cats. 46% of Belgian survey respondents say that people in their household watch short video clips and only 36% disagree.

Connectivity is on the move

All this added interaction does not stop at the front door, with 50% agreeing that they need to access the internet on the move. This puts the Belgians ahead of the Dutch (44%) but behind the French (58%) when it comes to internet access on the go.

The smart home is starting to resonate

With the importance of both connectivity and mobile devices to the digital home, it's perhaps not surprising that smart home or IoT products are firmly on the radar of European households.

Familiarity with the features and benefits of internet-connected or smart home appliances/security products is low in Belgium at only 29%. This is well behind the Netherlands, where awareness is 42%.

But this may be set to change as, although only 7% of Belgian households currently own one or more smart home products, 25% expect to do so in five years. Heating, lighting and security are the top three areas of interest.

With TMT companies in pole position to deliver many smart home devices, this growing interest could be very good news for the sector. But caution is required if they are going to get their foot in the door.



29%

agree they are familiar with the features and benefits of IoT or smart home products.





Doubts at the door

While enjoying the benefits of greater connectivity, Belgian households also have concerns as they seek digital downtime, fall back on the familiar and worry about trust and privacy.

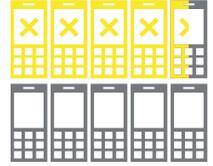
Some are drowning in digital

Nearly half (45%) of Belgian households actively seek time away from their smartphones and other internet-enabled devices. It's the older generation of customers who are leading the way, with 48% of 45-54 year olds and 47% of those over 65 seeking digital downtime. This is in contrast to France and The Netherlands, where younger consumers are most in favour of a digital detox.

While this desire for time away from screens seems at odds with the positive messages around increased connectivity, it may in fact be a direct result. As tech becomes more and more central in the home, worries about its impact on family life increase.

Legacy behaviors persist for many

There is no doubt that technology is changing people's lives rapidly and irrevocably, but it's important to remember that not all consumers are on the cutting edge. 45% of Belgian households still use their landlines every week, while 39% still rely on the desktop PC as their main way to access the internet.



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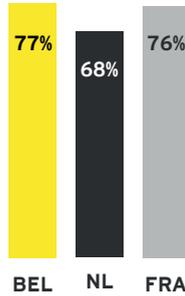
Trust and privacy are top of mind

There are major trust and privacy concerns in Belgian households, with over three quarters (77%) cautious about disclosing personal and financial information over the internet, even when using a site they know and trust. By comparison, Dutch consumers (68%) are a little more laid back than some of their European neighbors

Nevertheless, these concerns mean that instead of embracing the new, consumers are sticking with the safe. In our survey, 38% of Belgian households said they only ever use a small number of familiar websites.

Widespread concern over data privacy and security ...

I am very cautious about disclosing personal and financial information on the internet, even if the website is from a brand that I know or trust.



The world of connectivity and utility are merging

Nearly three quarters (72%) of Belgian households now think of broadband as a utility like gas or electricity, similar to France (79%) but much higher than the Netherlands (59%). This all suggests that providers can expect little gratitude for supplying connectivity, but plenty of complaints when it goes wrong.

In this context, the fact that 64% of Belgian households are satisfied with broadband speeds could be seen as good news, but that may not be the main point for consumers. In this new, utility-like world, 59% of Belgian consumers rate reliability as more important than speed.

Another sign that some of the gloss may be coming off the digital experience is that households are taking a more functional attitude towards it: 31% of Belgian households say that they only access the internet for a specific reason.



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Attitudes to advertising are in flux

New technologies are helping traditional TV broadcasters retain a significant share of household viewing, but consumers aren't keen on getting advertising as part of the deal. 22% of Belgian households say they are more willing to put up with adverts on broadcast tv than when they are streaming programmes.

That puts a question mark over traditional TV's ability to profit from the increasing shift towards streaming. But the solution may already be to hand. Our survey shows 12% of Belgian households are willing to pay a premium to avoid ads.



22%

are more willing to put up with adverts when watching traditional TV channels.



What does this mean for TMT companies?

Building a better understanding of these customer concerns will allow service providers to reshape products and services for the future.

Overhaul your understanding of customers

To succeed in this environment, the first step is to understand customers better. Not all households are moving at the same speed: while some actively seek out new products and services, others are more concerned that existing ones are safe and reliable. Educating and empowering customers has never been more important.

Measure the value of the experience you provide

Trusted relationships pivot on customers engaging with confidence and without friction. The ability to harness different types of data, whether financial, operational or transactional, can drive new understanding of the events that trigger satisfaction, frustration and advocacy. These integrated insights can both guide investment decisions and pave the way for more personalised interactions with customers that together unlock long-term business value.

Take a holistic approach to building digital capabilities

Build capabilities that mutually reinforce one another rather than proliferating a patchwork of new channels and interfaces. By establishing a continuous and iterative approach that harnesses different disciplines - from user research and business model design to analytics, rapid prototyping and technology architecture - TMT companies can increase their relevance to customers and their competitive advantage.

To find out more and discuss how EY can work with you, please contact EY Advisory Partner Andy Deprez: andy.deprez@be.ey.com.



59%

of Belgian households believe that broadband reliability is more important than broadband speed.



11%

of Belgian households are dissatisfied with the response to their broadband issue by customer services.

A close-up photograph of a person's hand pointing at a smartphone screen. The phone is held over a wooden table covered with fresh vegetables, including cherry tomatoes, cucumbers, and bell peppers. The background is softly blurred, showing more produce and a jar on a windowsill.

As TMT customer expectations continuously evolve, they challenge service providers to rethink how they engage, remain relevant and continue to deliver value. We believe the answer lies beyond just pain-point resolution; TMT companies need to deliver an **integrated customer experience**, powered by **digital**. This requires a different way of working that ties together **Purpose, Experiences, Capabilities** and **People** – an approach to transformation that also needs to be iterative and ongoing.

For more insight into
the digital home and
how to serve it, please
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