



Digital Australia: State of the Nation

Technology, Media & Entertainment and Telecommunications

EY Sweeney



Watershed year ahead

Are
telecommunications
and media
taking full advantage
of new technologies
and platforms?

Can local media companies
keep the momentum going as
global entrants
enter the arena?

Can telecommunications
keep meeting
escalating
customer
demand?

Telecommunications

Are you addressing consumer concerns around security and privacy? How transparent are you with your customer?

Are you offering your customers the best value in terms of cost of services including capability, utility and price?

Are you fully leveraging the ever-growing take-up of smartphones?

M&E

Are customers at the centre of everything you do?
Are you engaging in authentic two-way communications with your customers?

With the growing importance of analytics, how are you addressing consumer concerns around transparency?

Content is king, but so is the consumer. Are you offering a seamless customer experience?

Are you fully leveraging analytics to optimise the customer experience and outcomes?

State of play

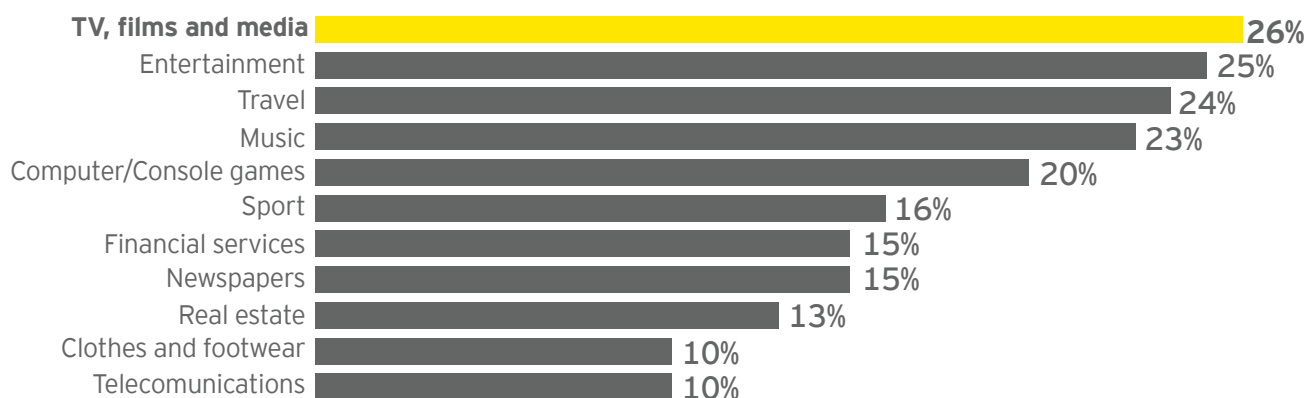
Consumers firmly in control

Arguably, 2014 was the year digital media content went mainstream, with more than three quarters of Australians using the internet to listen to, watch or download music, podcasts, TV and film¹.

The challenge in 2015 will be to adapt local business models to compete with global entrants while matching consumers' increasingly shifting viewing patterns and expectations.

In 2014, Australians rated TV, films, media and entertainment (M&E) firmly at the top of their digital experiences. Besides the obvious reasoning that these activities are for people's enjoyment versus paying a bill online, their popularity can largely be attributed to the fact that digital adoption has been forced upon these sectors in recent years, compelling companies to innovate or expire. Arguably the M&E industry is further down the track in digital advancement than other sectors, eagerly adopting new technologies, apps and platforms. But where it has a way to go is in adopting a wholly customer centric view.

Top 11 best sector digital experiences



Source: EY Digital Australia: State of the Nation 2014. Consumer survey.

¹ EY Digital Australia: State of the Nation 2014. Consumer survey.

However, the 'digital opinion leaders'² surveyed for the report were less enthusiastic about the sector's performance. Only 16% gave TV, film and media a top rating – compared with 26% of consumers. These divergent ratings are probably because, unlike digital experts, consumers don't differentiate between global and local providers. The consumer rating likely includes high-quality experiences with global brands. Whereas digital opinion leaders believe the local industry has a way to go to match international benchmarks.

In contrast, both consumers and digital opinion leaders ranked telecommunications down the list, towards the middle of the pack. It placed equal 10th amongst consumers and 12th amongst digital opinion leaders, behind newspapers and financial services. This is surprising given the clear progress telcos have made in advancing and servicing their digital offerings, but represents a clear call to arms on customer experience.

Using a host of new channels for creating and distributing content, new (local and global) services are continuing to launch to market regularly, with Fetch TV, Quikflix, iTunes, Foxtel being joined by new entrants Stan and Netflix. Australia and Iceland were the only OECD countries in the top 18 by internet penetration not to have Netflix (though the service launched in Australia in March)³.

While just over a fifth of Australians currently have a smartTV with internet access, this number will continue to grow as consumers enthusiastically upgrade services. The challenge for Australian companies will be to keep up with the resulting demand for innovation, while offering content and choice at a reasonable price-point. This battle is fought on two fronts: price (value) and depth of library/exclusivity.

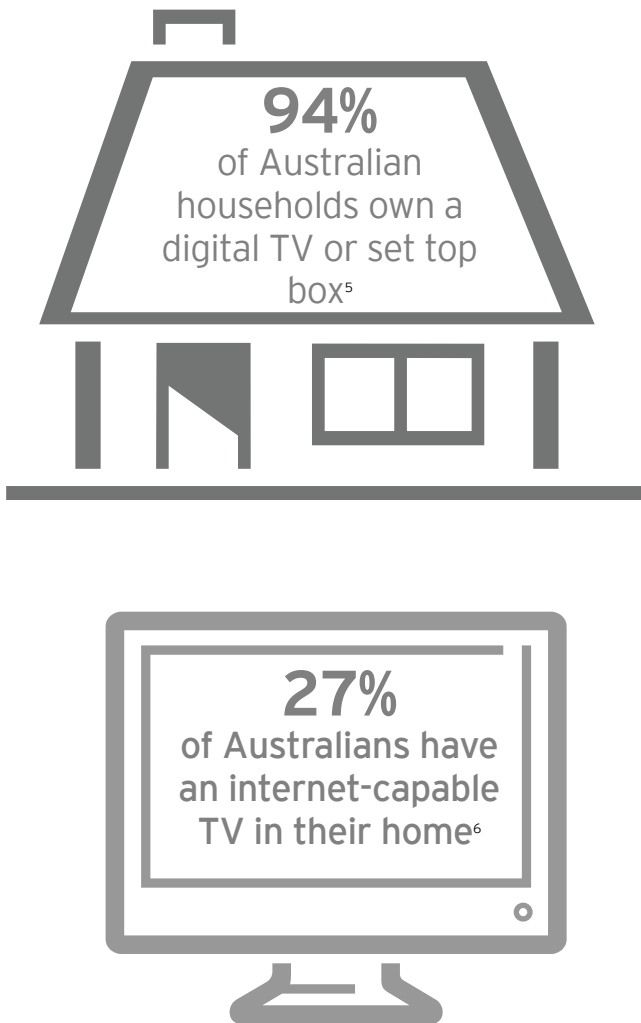
Television still dominates as the channel for consuming content.

In 2014, Australians watched an average 97 hours of TV (free-to-air and pay) every month – a 26 minute increase in consumption from Q2 2013 to Q2 2014⁴. But, as the definition of a screen continues to change, the days of passive TV consumption are numbered. The growing popularity of smartphones and tablets means consumers expect to continue to consume content on the move and are increasingly using secondary viewing devices while watching TV. Time shifting and multi-tasking is both aided by and driving technology use.

² The 'Digital Opinion Leaders' identified in this survey were self-selected after being invited to participate in the survey by EY and AIMIA (The Digital Industry Association of Australia). They met specific criteria including being in senior management and directly responsible for digital strategy in their organisations, and represent leaders from both the private and public sectors.

³ Netflix.com Netflix to launch in Australia and New Zealand in March 2015, November 2014

⁴ Australian Multi-screen Report Quarter 2 2014, Nielsen, OzTAM, Regional TAM



New entrants as well as established players will have to focus on building direct customer relationships. And, after years of offering content for 'free' under paid advertising models, traditional media companies will need to continue to adapt their back-office for subscription models as well as devise additional strategies to better monetise their growing digital audiences. This all needs to be done while protecting their share of advertising dollars or premium subscription services via traditional platforms. Regular revenue from subscriptions can provide a buffer against fluctuating consumer consumption. Flexible pricing and usage models will also help protect revenue streams given the likelihood that people will use more than one service.

Against a backdrop of rapid-fire change, 2015 looks set to be a watershed year for the sector. Local M&E companies will need to continue to actively embrace new technology – especially analytics – and develop new business and distribution models to satisfy the demands of and foster more meaningful relationships with Australia's voracious and increasingly outspoken consumers.

This is about doing more than reacting to today's immediate challenges or adopting technology for technology's sake – **sector players will need to keep up the momentum in operational change to reinvent themselves for a very different future.**

"The consumer is firmly in the driver's seat in the era of anytime, anywhere content. The real challenge for business is in the need for their models to flex and change to meet this demand."

David McGregor, EY Technology, Media and Entertainment and Telecommunications Leader

⁵ Australian Multi-screen Report Quarter 2 2014, Nielsen, OzTAM, Regional TAM

⁶ EY Digital Australia: State of the Nation Aggregate report 2014

Issues

Growing consumer expectations



By 2013, 74% of Australians were already showing signs of a new behaviour – simultaneously consuming television and internet⁷.

It is largely agreed that behaviour change is being driven from both ends: by consumers themselves as well as by media organisations on a constant innovation loop. The organisations that will leap forward are the ones that can respond to and anticipate consumer-led change and exceed expectations. One of the biggest fundamental changes in recent years is that consumers no longer passively consume media and entertainment content. They actively choose it, especially when multi-tasking, and expect content across multiple interactive channels and on multiple devices. The sector is highly aware of this trend. In 2013, 39% of advertising campaigns included tablet executions, up from 15% in 2012⁸.

But the bar is being lifted ever higher, with consumers watching increasing amounts of content in the digital realm – and expecting the mobile, personalised and interactive experience they've come to expect from video on demand (VOD) and digital music services.

This has far-reaching implications for the sector, shifting the content distribution model from one-way distribution to a two-way interaction. The questions to ask are, can you refine your services based on real time feedback? And, do you use social media for customer service support? The M&E sector may learn some lessons from the customer-centric processes of the telcos to assist in their transformation.

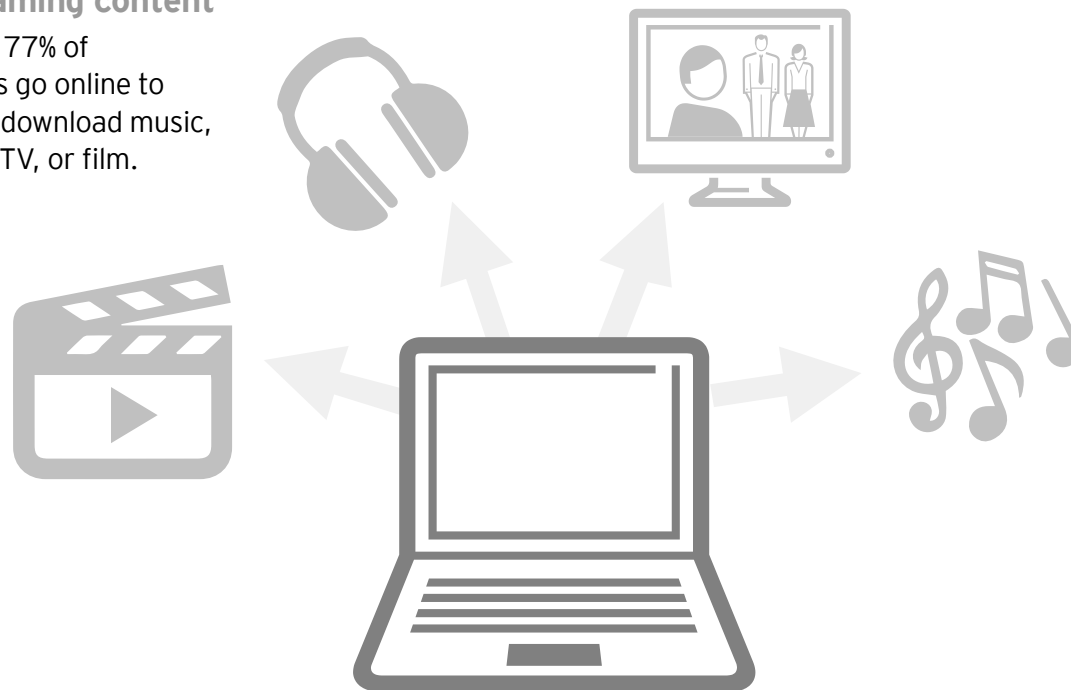
On the upside, new customer behaviours will allow M&E companies to develop a deeper understanding of their customers' preferences and tailor their products accordingly. But disruptive forces will be hard to manage, especially given companies need to adapt their supply chains and back offices to support new revenue streams. **The key for M&E companies is transitioning to the next level and keeping competitors at bay is about ensuring their business strategies adopt a more customer centric model across all their channels.**

⁷ Fairfax Mobile Network, Oct 2013 (Telsyte)

⁸ Fairfax Mobile Network, Oct 2013 (Telsyte)

Australians hungry for streaming content

Currently, 77% of consumers go online to listen and download music, podcasts, TV, or film.



Netflix specifically structures programming and investment around consumer behaviour, accounting for local cultural taste differences and allowing distribution deals to develop accordingly. If it follows its usual pattern in Australia, we can expect a high take-up, leading to more significant shifts in consumer viewing patterns and expectations. Approximately 340,000 Australian households are already subscribing to the US-based Netflix - using a virtual private network to mask their country of origin.⁹ That notwithstanding, one of the challenges for Netflix is that it is essentially competing with itself. Locally, it will not have the depth of its international library in the first 18-24 months. Therefore converting existing unofficial subscribers to the local offer is not without its challenges.

With Netflix launching in Australia, the landscape is about to shift again.

Already, Foxtel has halved the cost of its 'Presto' movie streaming service and partnered with Network 7 to expand their locally produced offering. While the popularity of these local streaming services will continue to grow, time will tell whether they are geared up to compete with global players such as Netflix, whether they have started just in time and can manage the cultural clashes between companies that, yesterday, were competitors.

⁹ Choice.com.au November 2014 684 000 households are paying for content through international stores

As the players square off in the battle for streaming content, local incumbents will have to deal with new issues. How do they manage the transition into digital services while still protecting their existing revenue flows? As disaggregation puts traditional market returns in question, how do they continue to fund quality content? The answer may be that M&E companies will have to drive deeper engagement with the content experience itself, in such a way that viewers will choose to pay directly for content streaming services or ownership. However, as mentioned previously, this will require the sector to achieve and nurture a deeper customer understanding.

Also, if product quality depends on broadband speed and device compatibility – who owns the problem if the customer has a bad experience? If a streaming service isn't easy to plug in, who will customers blame? And will trouble-shooting be quick enough for customers to remain satisfied and not abandon the service, looking to other means to get their content? Already there are challenges with new entrants having less than optimal experience on standard devices and browsers. And of course the perennial challenge for both local and global players alike is that Australians are masterful pirates – an issue that has largely arisen out of frustration in the time-lag of new content from overseas and the cultural phenomenon of 'binge-watching'.

"I think piracy is a problem, we have to be realistic about that, but there is certainly a growing expectation at least amongst a portion of Australian consumers that, to access the highest quality content, there is a charge, and consumers are increasingly willing to pay for that."

Alisa Bowen, Group Director, Digital Product and Development, NewsCorp Australia



It's no secret that Australians are avid downloaders – both legal and illegal.

New findings from EY's *Global Digital Media Attractiveness Index* found Australia has the second-highest illegal downloads in the world, behind Russia. The real challenge lies in moving young, digitally savvy emerging market consumers to legitimate digital platforms. This remains a significant opportunity for M&E companies. To capitalise on this, M&E companies need to understand what content to offer and the value drivers that will incentivise consumers to consume legitimately. This begins with deeper analysis of piracy consumption.

Video streaming consumers will demand the customised and predictive experience they get from Netflix, iTunes and Amazon. More than half (52%) of consumers believe that the tailoring of any digital advertising and promotion to their interests or characteristics is very/fairly important to providing high quality experiences. Customers expect providers to know what content they've consumed, touched and liked and adapt their service accordingly – with deeper consumer insights leading to deeper brand relationships. To catch up, local players will need to invest in increasingly more sophisticated analytics capabilities as well as seek out expert partners.

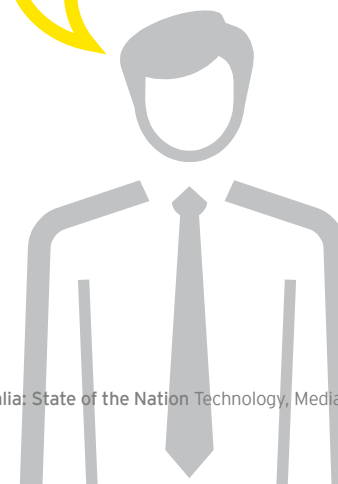
The
mobile device
is our most
personal
device

Mobile entertainment lagging

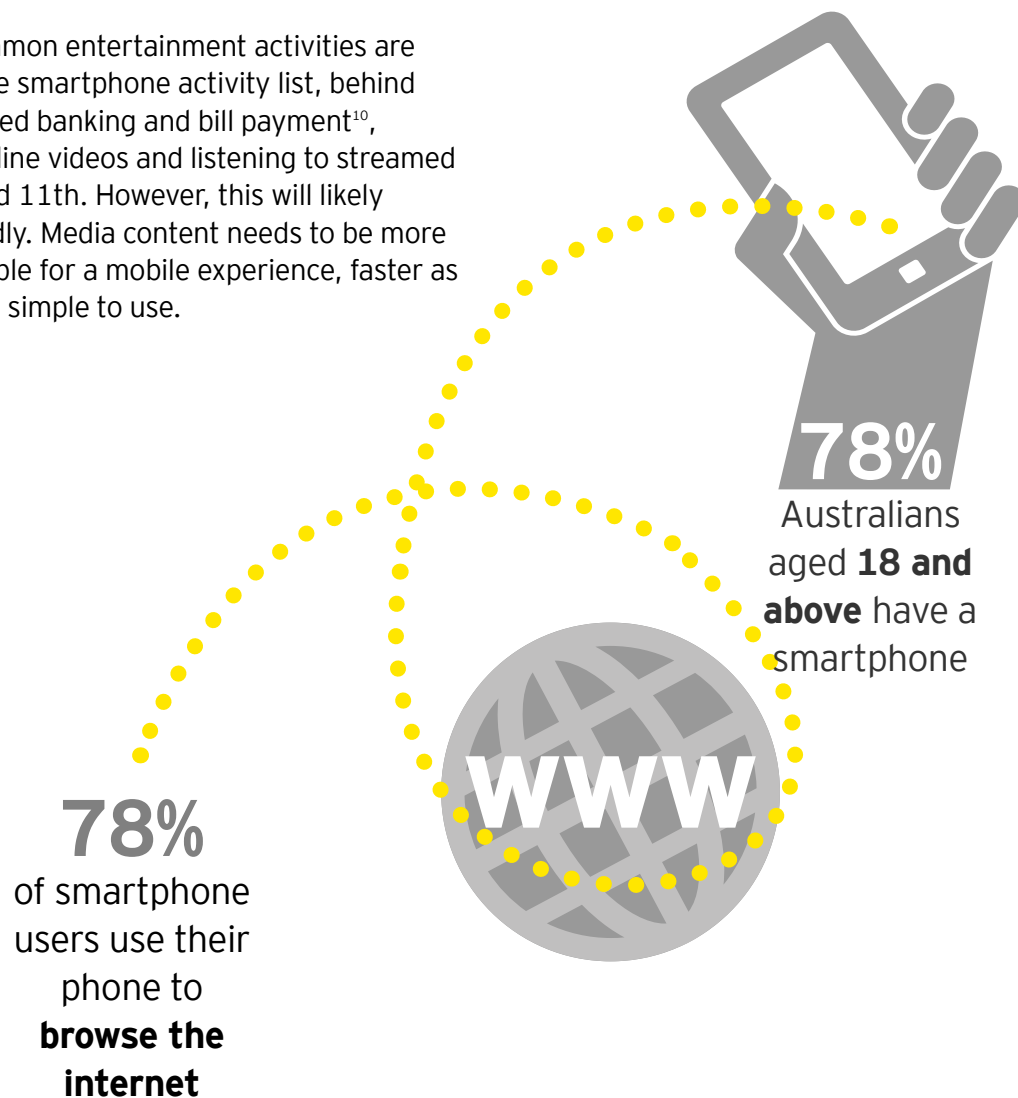
More than moving from physical to digital media and from mass to targeted entertainment, consumers now expect to access content anytime, anywhere and from any device at their disposal. Given Australians' enthusiasm for internet on demand, mobile will continue its rapid upwards trajectory and take over as the most important channel sooner rather than later. The mobile device is our most personal device. However, the reality is that no one has got mobile right just yet. The sector, like other industries, recognises there is more work to optimise mobile for its obvious potential to be realised.

"The company that finds the key to unlock mobile commerce may hold the most valuable discovery of the internet age."

Tom Kennedy, EY Advisory Partner



To date, common entertainment activities are still down the smartphone activity list, behind the 8th ranked banking and bill payment¹⁰, watching online videos and listening to streamed music ranked 11th. However, this will likely change rapidly. Media content needs to be more easily available for a mobile experience, faster as well as more simple to use.



One of the sector's greatest challenges in getting mobile right is in security and digital rights management. Device and operating system fragmentation means companies have no universal method to secure content, increasing the cost to deploy across devices.

Media content
needs to be more
easily available
for a mobile experience,
faster,
more simple to use

¹¹ Australian Multi-screen Report Quarter 1 2014, Nielsen, OzTAM, Regional TAM

Time to open up social media

In 2014, social media was one of Australia's most popular regular online activities, with 69% of the population accessing various social media platforms at least once a week.

Although M&E companies are highly engaged in social media – in terms of integrating it with live programs – strategies are driven by project, show and category. The next step is to move to deeper integration, engage audiences across all the screens they're touching (especially smartphones) and keep the conversation going beyond the program.

Meanwhile, telcos have dramatically lifted their game in the field, using the channel to manage and respond to customer complaints, and receive feedback on new products and services, with positive results to date.



#1

device for
accessing
social media

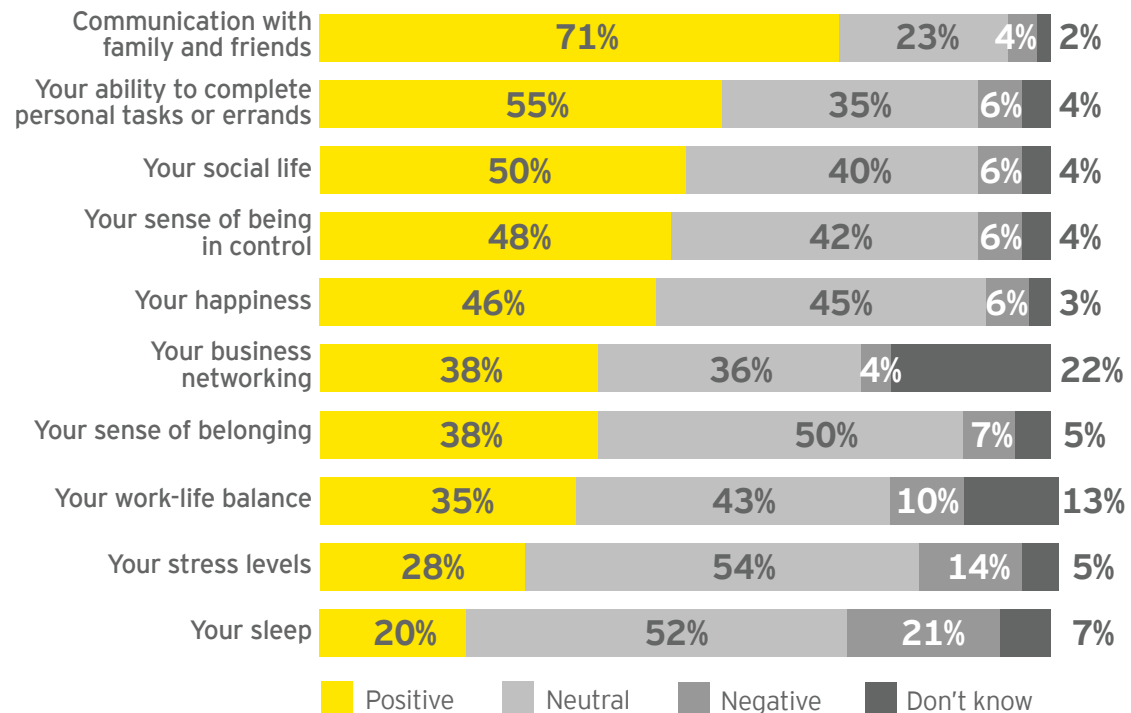
"It's hard to deny that social media is increasingly important, when people now often check their Facebook before they even say good morning to their partner. Consumers are using social media all the time, therefore why wouldn't you use it as a broadcaster and brand to reach those consumers and their conversations."

Chris Johnson, Southern Cross Austereo



Social media by its nature makes customers much more aware of, and vocal about, the features and flaws of products and services. Poor experiences that go viral have the power to create mass customer flight. As companies introduce new services, they must have quality customer support infrastructure in place to deal with teething problems in real time – or risk losing customers to churn. The challenge now lies in a more consistent and holistic approach to social media. While there is broad understanding that social media has been a key player in shifting the balance of power to the consumer, the real gains can only be made by moving away from a reactive, blanket approach to a more proactive, customised approach for each social media platform.

Impact of mobile devices



Source: EY Digital Australia: State of the Nation 2014. Consumer survey.
Base: Smartphone and Tablet users only

Ahead in Australia – but behind the world

The M&E sector may be leading the way in Australia, but the World Economic Forum ranks Australia 18th in terms of overall network and digital readiness.¹¹

Four out of ten consumers and six out of ten digital opinion leaders believe the Australian digital economy is less advanced than other leading countries – a clear signal that consumers expect a better digital experience. They know that local digital offerings could and should be significantly better. Australia's poor digital performance may be attributed to a combination of factors: slow internet speeds, Australia lagging in adopting new technologies and a lack of digital infrastructure.

This is not just local opinion. In the World Economic Forum's 2014 Network Readiness assessment – a broad index of digital advancement – Australia was ranked 18th, well behind leaders Finland and Singapore. This lower readiness ranking is due largely to the high average cost of accessing digital technology across the country. In 2014, Australia ranked 7th globally for internet penetration, yet the affordability of our digital access was ranked 49th – more expensive than in the vast majority of developing economies.

According to 60% of digital opinion leaders and 50% of consumers, the NBN will be a vital part of the solution, helping move Australia towards a world class digital economy. For content providers, whose service quality depends on broadband speed and consistency, it's vital Australia gets this element of infrastructure right, and doesn't just stop there.

"It puts people off when they have a bad experience with latency or buffering experiences with the bandwidth that they have. If I compare that with some of the developed markets with better wifi and download speeds, it's quite a challenge that we often have here."

Nigel O'Rourke, Direct –
Consumer Channels Group, Microsoft

¹¹ World Economic Forum – The Global Technology Forum 2014

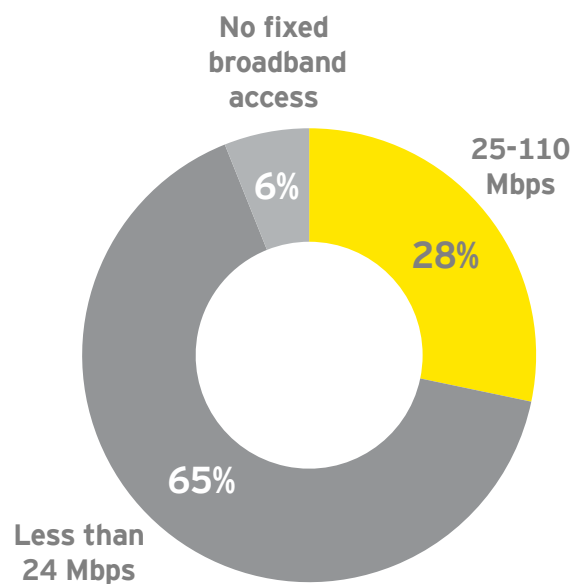
Digital
opinion
leaders

40%

Consumers

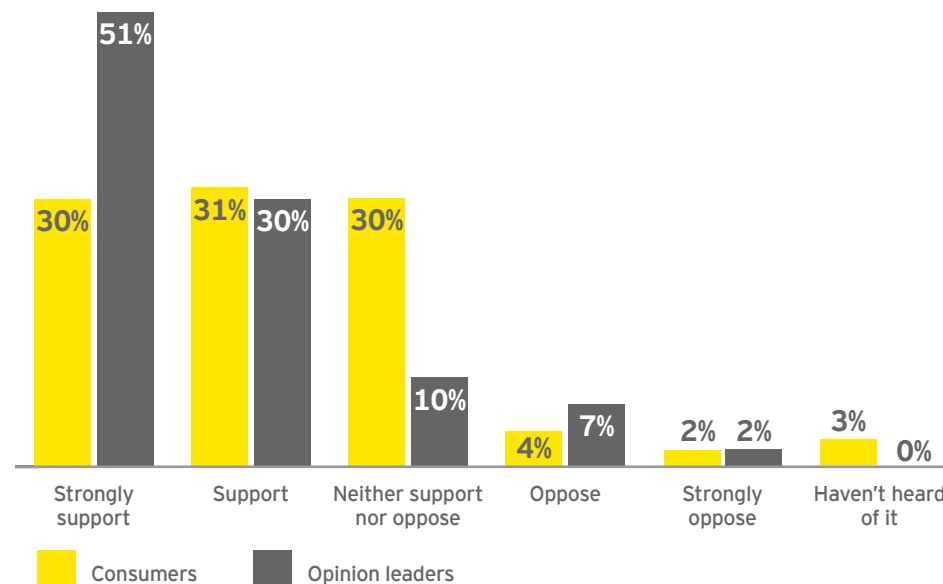
59%

"The Australian digital economy is less advanced than other leading countries."



A key issue for both consumers and opinion leaders is the provision of improved internet infrastructure – such as the National Broadband Network (NBN). A majority of digital opinion leaders and consumers support the program. However 52% of digital opinion leaders say slow rollout of NBN is a major concern.

Support for NBN

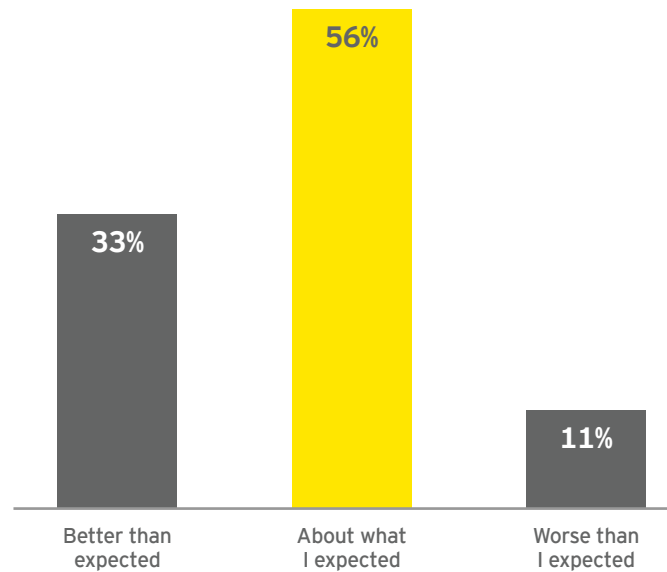


Source: EY Digital Australia: State of the Nation 2014. Digital opinion leaders survey.

The NBN is not yet widely available, but those consumers who have connected report being very satisfied.

Just 14% of consumers say the NBN is available at their home, but of those a majority (64%) have already connected, representing 7% of the Australian population. Among those with NBN access, 89% report it is meeting or exceeding expectations.

Experience of using the NBN compared to expectations



Source: EY Digital Australia: State of the Nation 2014. Digital opinion leaders survey.

*People who have NBN already

Consumers worried about personal information

Consumers continue to be concerned about the security of their transactions and the privacy of their personal information.

Recent debate around data analytics and privacy has reignited consumer fears, as have high profile global incidents. For telcos and media companies, the mandatory data retention debate is key.

Consumers are well aware that their personal data is a highly valuable and often vulnerable commodity, and that identity thieves are becoming more sophisticated. They rank online security as the most important factor in a high quality digital experience. An overwhelming 80% of Australians also believe government should force organisations to become more transparent in how they use consumers' personal data.

Consumers worry about privacy and security



Strongest in youngest and oldest demographics

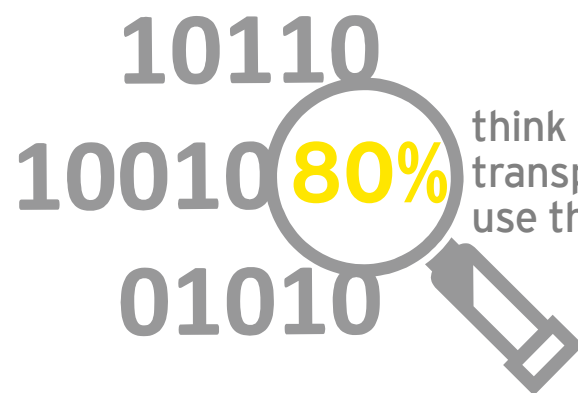


Concern about online information security varies by demographic. **The older (65 to 69 years) and younger (18-24) groups are most worried about online security.** This indicates that the pendulum is swinging back - those who say privacy issues are over are ignoring the very real and current concerns of consumers.

The sector must act to allay people's concerns around security and privacy – requiring different dialogue with different generations. However, these changes will require a rich data and analytics strategy, and the adoption of new, innovative technologies – and have profound implications for M&E companies' systems, processes and culture.

The link between smartphones and security and privacy is obvious. Given the increasing penetration of smartphones and consumer preference for content mobility, and the reliance on strong analytics, this is one medium where there will be no choice but to address the need for transparency. First movers on this issue will reap the rewards of building trust and brand equity with customers.

It will be an ongoing battle to balance consumers' demands for easier and simpler access with their expectation that personal data will not be hacked. If password protection is deemed insufficiently secure for example, any additional security measures must still be fast and simple.



"If you're an authenticated user, wanting to know how your data is being used and stored is a legitimate concern. Australian industries need to be focusing on how do we get on the front foot and allay concerns. It's something that's good for customers."

Jon Satterley, Group Director – Digital Development at Village Roadshow



Opportunities

Developing richer relationships with consumers

The M&E sector has multiple opportunities to create deeper, more personalised consumer-driven entertainment experiences. However, these changes will require a rich data and analytics strategy and the adoption of new, innovative technologies - and have profound implications for M&E companies' systems, processes and culture.

Giving consumers an easier, faster and enhanced digital experience will go a long way towards justifying paying for content by consumers and in turn, curbing piracy.

In 2015, M&E companies need to turn their focus to creating deeper engagement with the content experience, so viewers will choose to pay (either directly, or through their active attention to ads) for content streaming services or ownership.

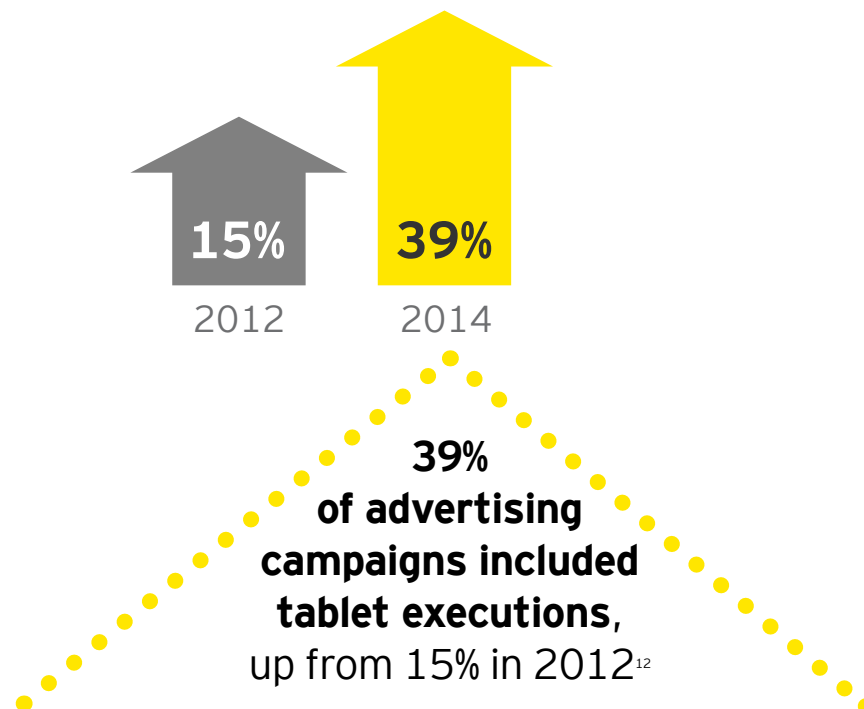
Possibilities include:

Greater content mobility

Consumers will increasingly expect content to seamlessly follow them wherever they go. This will require M&E companies to reimagine the viewing experience, where the TV complements the tablet, not vice versa. Eventually, we expect smartphones to function as the 'brains' of the screen world, triggering content experiences based on a viewer's location - with content following viewers as they walk around their homes.

Content distributors will need to be able to measure engagement and captivation across, not just multiple platforms, but also multiple screens to optimise the experience and ad placements. More screens mean more potential opportunities for ad impressions, provided the experience is carefully calibrated and tuned for a multi-screen lifestyle.

We expect location-based advertising to remain in its infancy this year, despite multiple prototypes being trialled in the market. In theory, consumers are receptive to getting the right offer, at the right time, over the right channel. Done properly, this sort of advertising can become entertainment. However, without granular data and sophisticated analysis, the risks of personalised offers being inappropriate – or just plain creepy and annoying – are high. Further, digital advertising is not yet at the stage where it is optimised for mobile. **Companies that get this right through targeted messaging and quality content will build brand equity and seize market share from slower-to-move competitors.**



Event-based viewing

In 2015, we expect to see an upswing in event-based viewing. Although the viewing landscape grows increasingly fractured, consumers still want to be part of the collective social experience of events such as the Football World Cup or the Academy Awards. Soon, content providers will have enough data to design their own live events around detailed customer segments. In addition to ticket sales, this will create highly targeted advertising and quality loyalty rewards – keeping the brand warm.

If content distributors can build a strong social experience around a program (such as gaming and other social second-screen experiences) viewers will not want to be left out and be driven back to the screen. According to Twitter's data on social viewing¹³, seven in 10 TV-related tweets occur during programs, as opposed to commercials. Event windows could be a powerful means of driving consumer relationships with content franchises, as well as offering advertisers 'DVR-proof' placements.

¹² Fairfax Mobile Network, Oct 2013 (Telsyte)

¹³ "Twitter's TV pitch comes of age," Digiday, 24 September 2013, via Factiva, ©2013 Digiday

Content discovery optimisation

We see huge potential in providers engaging in 'content discovery optimisation', where content is continuously tuned so it can be discovered by the broadest possible audience at the right time. At the same time, tablets and wearable devices that learn habits and behaviour patterns will make program search and discovery more intuitive and tailored.

Soon, media content based on preferences will be embedded into calendars and devices. These planned experiences will be more socially organised and seamlessly connected across all sources, so curated groups can share in the experience. This will require going far beyond the descriptive show metadata and into parameters, such as sentiment of show, optimum watching circumstances (screen size) and shared creative heritage.

Personalisation and micro-content

Consumers already demand anytime, anywhere content. Next, they will also demand 'any form' content – small pieces of customised media and entertainment suited to the way people live and work. One challenge yet to be solved is developing the robust micropayment systems needed to deal with a series of micro-transactions across a growing number of distribution platforms that will come from personalised, on demand content.

Ultimately, **the future of television will be a carefully crafted omni-screen experience** that combines great content with equally compelling social and gamification techniques tailored to an individual viewer's stated and implicit preferences.

Using analytics to enhance the digital experience

Media and entertainment

To deliver deeper consumer engagement, M&E players will need to invest in capabilities to capture, analyse and use audience data. Advancing digital capability and real-time data should be business-as-usual, but to maximise opportunities and stay ahead of the curve, organisations must take it to the next level. The sector needs to be at a point where data is integrated across all customer touch-points and companies are incorporating relevant third party intelligence to paint a richer, more accurate picture of the customer.

Recommendation engines will be an important, long-term investment. Each year, their data becomes richer – enabling smarter, better real time decisions. Companies need to invest in data analytics and invest in capability to learn enough about customers to create sticky relationships.

Telecommunications

With a subscriber model generating multiple daily customer interactions, Telcos are ahead of the curve in analytics. They already target customers with customised bundled services, and monitor and adjust packages based on changing situations. Customer advocacy KPIs are embedded in management bonuses.

In 2015, we expect to see further progress in generating savings by moving more customers onto low cost channels. This will include continued use of predictive analytics to pre-empt product and service needs, along with continued sophistication with loyalty schemes tailored to customer segments.

Importing back office through M&A

Companies moving to subscription-based businesses for the first time require new back office support, including call centres. M&A offers a short cut to import these capabilities from experienced players, as we saw when M2's acquisition of Dodo brought with it a call centre and customer facing team – as well as a new customer base. That said, bolt-on back office brings its own cultural challenges. Organisations also need to make sure they understand the new metrics required to drive success with different revenue models.

Telcos are ahead of the curve in analytics

Privacy and security

With 80% of consumers wanting the Government to step in to improve transparency, the M&E sector has a leadership opportunity to be more transparent about the way providers use customer data, helping consumers understand the benefits of receiving a more personalised service. The starting point is for companies to actively listen to their consumers, react to feedback and be open about their data policies. They should also start planning how to respond if the pending metadata legislation covers viewing data.

The sector also needs to realise that data security is not an IT problem, but a business problem that encompasses all types of information – with a security perimeter far beyond corporate offices.

As recent high-profile cyberattacks have made all too clear, customer data is not the only information that can be hacked with devastating consequences. Even information that seemingly doesn't have intrinsic value to an organisation could be highly attractive to a competitor or criminal in terms of reputation damage.

Also, the most vulnerable point may be through a third party. A recent breach, which exposed credit card and personal data of more than 100 million consumers, began with an email phishing attack sent to employees at a heating, ventilation and air conditioning firm that had access to Target's network to do remote monitoring of energy consumption and temperatures.

Information security needs to develop strong, clearly defined relationships with a wide range of stakeholders across the business, and establish a clearly defined and formalised governance and operating model. In 2015, sales and marketing functions will be a major area of focus, as these teams are not always as aware of – or prepared to respond to – the risks and threats that come with data.

Organisations engaging in M&A and partnerships will also be at additional risk, with the resulting new systems, policies, procedures and safeguards often creating gaps in information security systems, measures and protocols.

Digital is here – transforming the landscape dramatically, with digital platforms disrupting more traditional media offerings. The pace of change is accelerating so rapidly, M&E companies may struggle to find the right balance between addressing today's daily operational challenges and planning for the next big thing. And finding new ways, through analytics and technologies, to ensure the customer is front and centre. For Telcos, the priority will be to keep up with the demand for mobility and data usage. They also have opportunities to create competitive advantage by using data to improve customer insight, meet consumer needs and increase loyalty. We expect this will include creating ever more complex 'value bundles' to protect their margins, using triple and quadruple mixes of content and services.

To innovate, prosper and survive, executives across these sectors must continue to look forward, developing deeper relationships with consumers, adding real value and enriching and personalising content and service experiences.



About the research

Research approach

Digital Australia: The State of the Nation is a wide-ranging report that is based on three types of research.

- ▶ **Extensive Quantitative Research**
 - A representative survey of 1500 Australians (16-69 years) and 167 'digital opinion leaders' drawn from the commercial and government sectors
- ▶ **Deep Dive Qualitative Research**
 - A series of in-depth interviews with some of Australia's top digital decision-makers and industry thinkers
- ▶ **Comprehensive Desk Research**
 - Analysis and aggregation of existing data on digital behaviour and trends

EY commissioned Sweeney Research¹ to conduct this research program. EY would also like to acknowledge AIMIA (The Digital Industry Association of Australia) for their support on this research.

¹⁰ EY acquired Sweeney Research in October 2014.

Research coverage

7 key areas

24 specific topics

Comprehensive desk research

Digital devices usage

- ▶ Device ownership and usage
- ▶ Operating platforms
- ▶ Internet activities
- ▶ App usage

Digital productivity

- ▶ Digital device work use
- ▶ Impact of mobile digital devices on productivity
- ▶ Employer restrictions
- ▶ Online study

Social network and media

- ▶ Social media usage
- ▶ Social media movers and shakers
- ▶ Reasons for using social media

The digital future

- ▶ Emerging consumer technology
- ▶ Appeal of wearable digital devices
- ▶ In-store commerce

Attitudes to digital

- ▶ Role of digital devices
- ▶ Digital attitudes
- ▶ Impact of mobile digital devices on life aspects
- ▶ Digital channel importance

Digital experience

- ▶ Australian digital economy strengths and weaknesses
- ▶ Digital experiences of different industry sectors and organisations
- ▶ Digital experience needs
- ▶ Digital experience problems

Government and the digital economy

- ▶ Attitudes to government and the digital economy
- ▶ Attitudes to and experience of the NBN
- ▶ Aggregate research report
- ▶ Publicly available data from a diverse range of sources



Digital@EY

EY's team of digital consultants deliver world-class business transformation globally and locally. Our digital capability is embedded across all of our services enabling a whole-of-business solution. Our data-driven insights along with our global experience and networks enable us to deliver results in digital business transformation.

EY can help unlock the full potential of digital by making it deliver commercial value through a whole-of-business approach to strategy and practical implementation.

Digital at EY is about more than technology, it is the levers that businesses can use to drive business transformation, elevate customer experience and engagement, and identify demand for and test new products and services.

Understanding the intersection of business, risk and digital is fundamental to EY's digital experience and capability.

EY's digital solution includes:

- ▶ Business and IT strategy, business model optimisation
- ▶ Business and IT transformation
- ▶ Branded customer experience design and channel strategy
- ▶ Customer experience and engagement
- ▶ Customer insight – customer analytics, customer data management
- ▶ Personalisation and real time marketing
- ▶ Multi-channel change management
- ▶ Governance, risk and compliance management of digital channels
- ▶ Security and privacy frameworks assessment

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