

# Northern Ireland Online

## **Landscapes, Behaviours and Challenges**

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# Flow

- NI's Digital Landscape
- The Competitive Environment
- Online Behaviours
- Brand Impacts
- BT Case study
- 2009 at a glance

# Landscapes

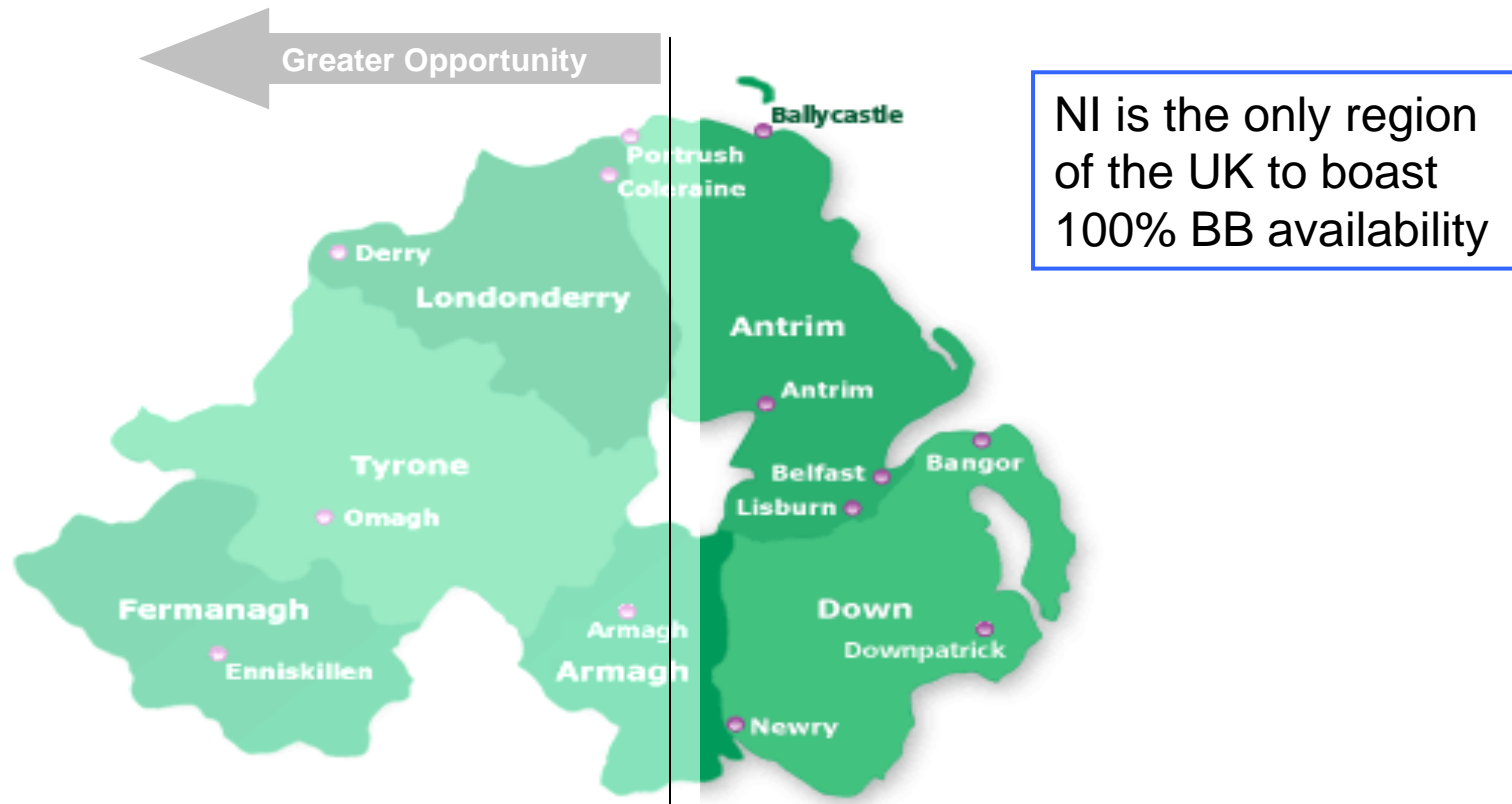
**NI Population:** 1.75m  
**NI Households:** 660,000

**Internet Penetration:** 70%  
**BB Penetration:** 56% v 62% (UK)  
**Breakdown:** 328k DSL (BT, Sky, CPW etc)  
45k Cable (Virgin)

## Technology Uptake

**Digital TV** 79% - lagging slightly behind UK  
**Mobile** 85% - same as England, slightly behind Rol  
**VoIP Usage** 8% of NI adults have made a VoIP call  
**Home Phone** 88% - implications for Mobile BB

# Geographical Spread



- Its official, Northern Ireland has a digital divide!
  - Penetration of most services are higher *East v West*
  - Digital TV 85% vs. 66%
  - Broadband 62% vs. 56%
  - Mobile phone ownership 88% vs. 81%

# Broadband is still a growth category

## **Growth**

750 NI Households are turning on BB every week

## **Help**

New customers are requiring more technical support

## **Freedom**

Wireless is a huge growth area (Minutes & Usage)  
- less than 30% penetration at the moment  
- desktop computers on the slide

## **Future**

Mobile BB is the most exciting recent development  
- Two thirds of BB take-up in Rol in Q3

## **Currency**

Bundles are the new market currency  
- less than 25% uptake in NI

# Telecoms Landscape

The market is fluid and lively as boundaries get redefined;



- mixing things up - content, value and innovation (HD)



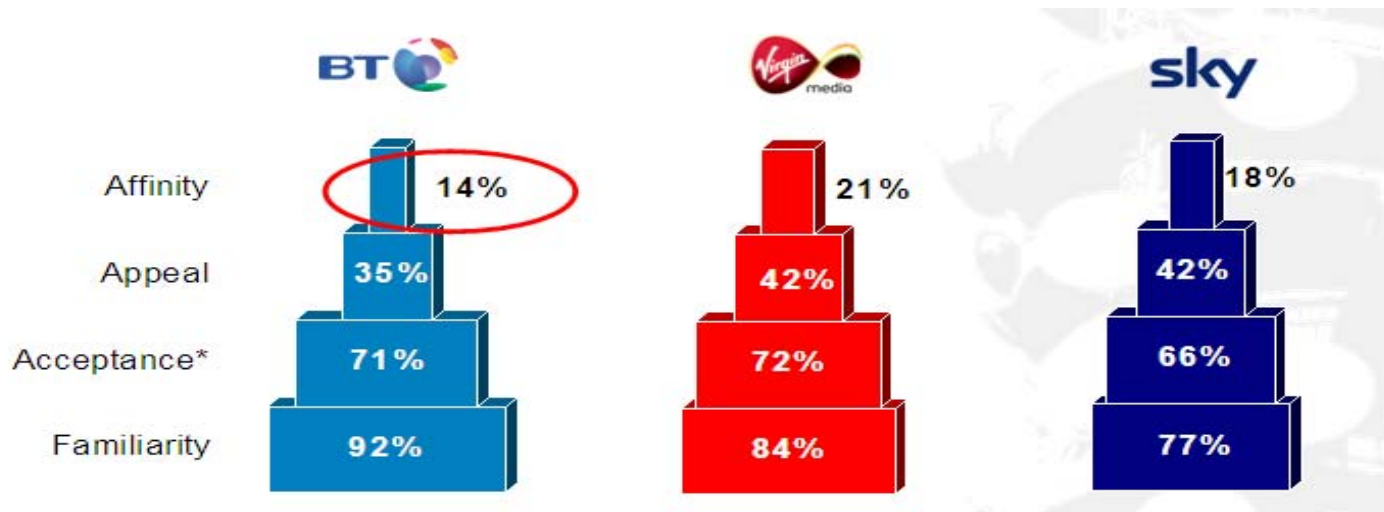
- a re-emerging threat – super fast BB & improving CS



- still hungry for business – CPW own the High Street



- 59% market share and award winning BB (£7.50)



# NI Demographics

## **Unique – NI has a distinctive socio- demographic culture;**

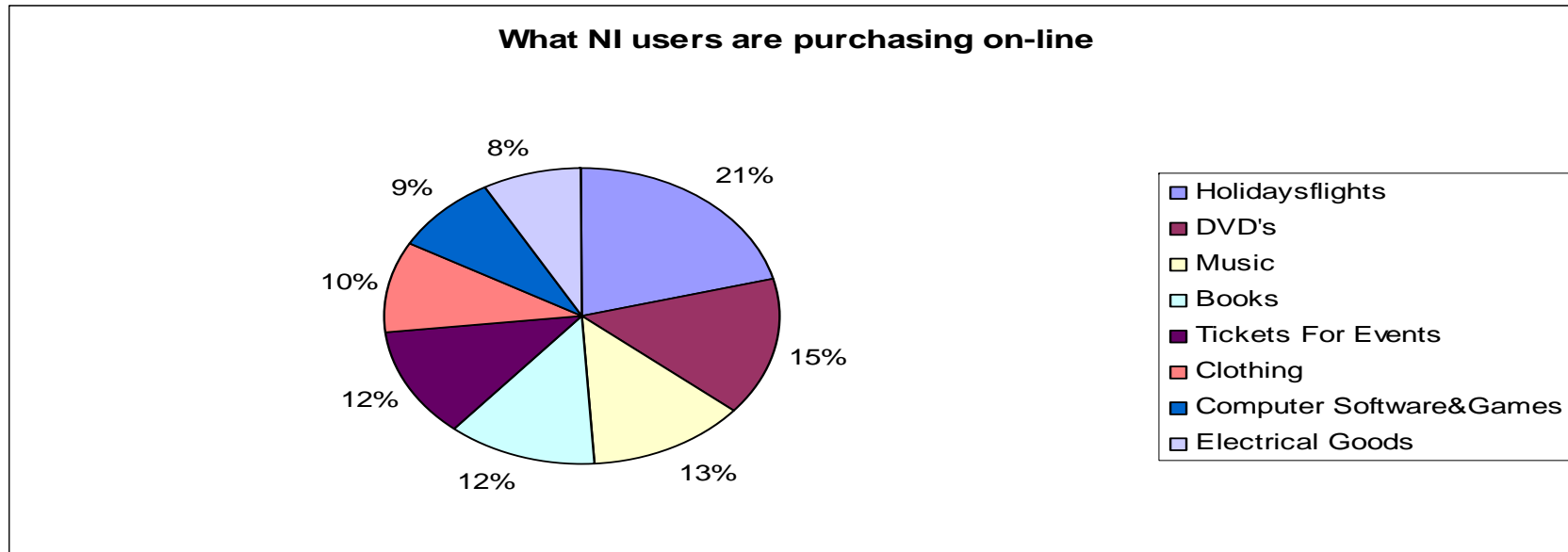
- Higher % of lower income Households (53%)
- One third of the NI population lives in Greater Belfast
- Average BB speeds of 3.5Mb (video streaming – IPTV)
- One of the youngest populations in the UK – average age of 35

## **What does it mean;**

- Brand Loyalty based on Value (price sensitive)
- Growth of an ‘enabled’ Urban savvy population
- Healthy growth in social networking communities
  - we’re already on a par with UK

# Internet Habits

## Retail



- Holidays & Entertainment dominate (low touch)
- Confidence is growing / Security Fears no longer a barrier
- Considered purchases are researched Online
- Retail is only the beginning

# Internet Habits

## 95% of active online universe

- Google
- MSN/Windows Live
- BBC
- Yahoo!
- Microsoft

## Time spent Online

- Member Communities - 4hrs
- Instant Messaging – 3.4hrs
- Gaming – 3.1hrs
- Email – 2.1hrs
- Auctions – 1.5hrs

The Internet is about people

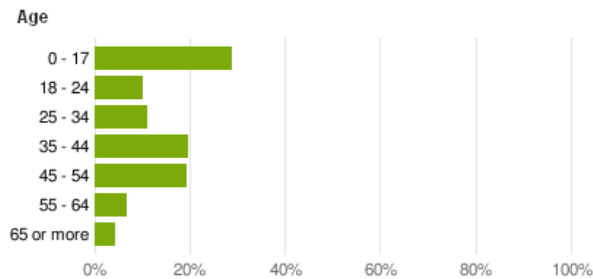
- Social Interaction ('Community')
- Naked Conversations (User Generated Content)
- Instant Gratification (No Barriers)

# A comment about social networking

**We're living in the Bebo and Facebook generation....**



Facebook is an online social community where people can communicate and stay in touch with friends. It has more than 60 million active users with an average of 250,000 new registrations per day since Jan. 2007.



**bebo is most popular with under 18s**

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Bebo is an online social community which allows users to cultivate friendships and share content. Bebo and MySpace receive 67% of UK Social Networking Visits. Bebo has more than 42 Million Members.



# Brand Challenges



The Internet has become a cherished medium – brand's beware  
- If your message isn't relevant steer clear (SMS)

Static ads have given way to emotional brand engagement

Online is truly versatile – Apple, Nike and others use bebo as a platform for engagement marketing

Bebo successfully drives online entertainment that lets brands integrate their messages into compelling storylines – 'KateModern' & 'The Gap Year'

Is your brand ready for a 'Naked Conversation' – Blogs & Chat Rooms

# A new Marketing Paradigm?

The brands that embrace the Internet will thrive

- Financial Benefits (CPA)
- Emotional Traction (Appeal)
- Acceptance

A comment about traditional mediums (Press/Outdoor/Direct Marketing)

In Northern Ireland 09 will be about TV and Digital

The right online strategy will help you to cut thru (Mind Share)

So, how are BT harnessing the Internet Phenomenon?

# BT's Online Strategy

Online is our most flexible advertising medium – Websites matched against target audiences

Scientific approach adopted to placement of ads, using size, control & positioning of adverts to gain maximum impact

We use a mix of performing sites and new sites which are judged on a case by case basis – agility & flexibility are critical

Increasing use of rich media to showcase product benefits

Work closely with UK teams to ensure no “doubling up” of ads

Paid for search (Google etc) makes up **57%** of all online spend (90% of consumers use search engines)

In 2007, BT reached a cross roads....

# Alter Ego...

## Key Statistics

- 80% of BT's Consumer base are 40 or over....
- Less than 10% are under 35....



## Brand Personality

- Conservative – Corporate – Remote – Inaccessible
- Trustworthy – Reliable – Safe



## The Solution

- An Alter Ego approach that allows us to keep faith with our 'powerbase' while reaching out to younger audiences at the same time

# BT Ireland Campaigns

## Set Your Broadband Free Campaign – Case Study

### Our Approach

#### Brand Building

The BT Broadband brand positioning is one of energy, exploration and verve.



### Objective

Position BT Total Broadband as a dynamic force, youth orientated, street smart.

Creative Direction: Free running concept representing the mobility, pace and dynamism of the brand matched with the street savvy and aspirational Urban culture.

# BT Ireland Campaigns

## Set Your Broadband Free Campaign – Case Study

### Media Direction:

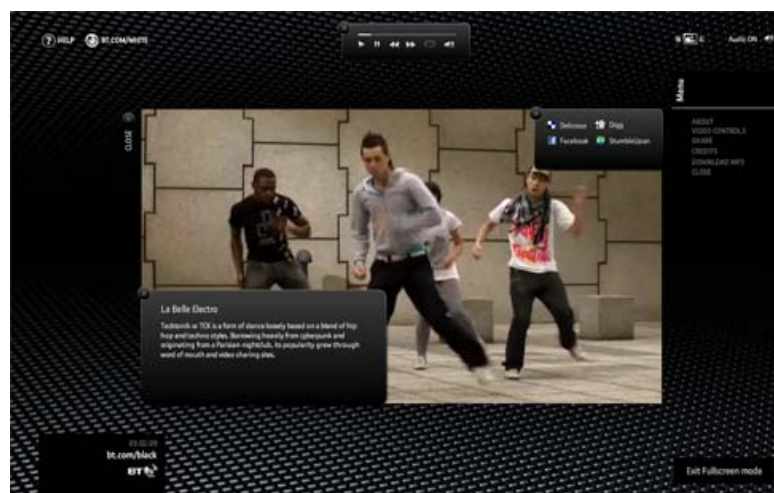
Cinema, Micro-site, Online Ads  
(Exp Sky, Exp Island, Overlay)  
YouTube, street graphics,  
skate graphics.



### Results:

Response rates **10x higher**  
Interaction rates **20x higher**  
Positive connotations of the brand  
among a youth audience

Check out - [bt.com/black](http://bt.com/black)



# 2009 at a glance

- The Telecoms Market will become more competitive
- Bundles will prevail and Value will predominate
- BB Penetration will plateau at 65%
- Speed will become a key differentiator as appetites grow
- The best campaigns will be anchored in Online (no longer TV)
- Audiences will become more disillusioned with traditional advertising
- Affinity will become the new brand metric