

A man with a full beard and a denim jacket is sitting at a dark desk in a home office. He is looking at a silver laptop. He is holding a white and brown bulldog puppy in his arms. On the desk, there is a smartphone, a notebook, and a mouse. In the background, there is a white shelf with plants and a kitchen counter with a bottle and a bowl. A large yellow graphic is overlaid on the left side of the image.

EY Decoding the digital home study

Italy results



Building a better
working world

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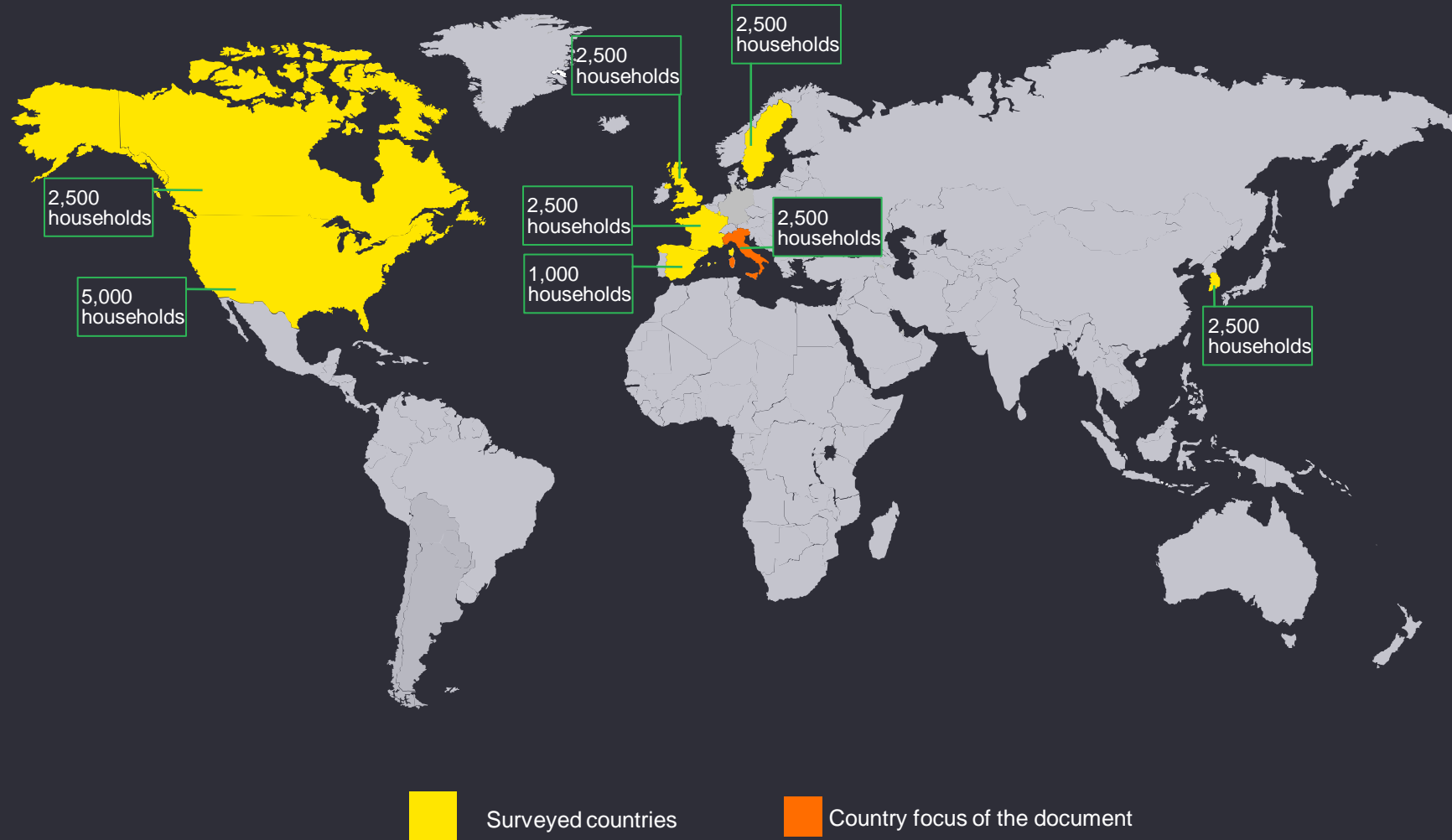
What's next for service providers?

A woman with dark hair, wearing a red top, is sitting at a desk in a dimly lit office. She is looking at a laptop screen and has her hands on the keyboard. The background is blurred, showing office furniture and a window. The overall mood is professional and focused.

Detailed survey findings

Introduction

Study overview



The EY Decoding digital home study is based on an online survey of 21,000 households in Canada, France, **Italy**, South Korea, Spain, Sweden, the UK and the US. It was conducted in February and March 2023, updating previous annual surveys of multiple markets.

The survey is designed to understand changing consumer behaviour and attitudes involving technology, media and telecommunications products and services. Our latest findings focus on topics such as the impact of the cost-of-living crisis, appetite for service bundles and the customer journey, providing specific insights relating to connectivity, content and smart home technology.

In this document there will be a focus on **Italy results** (based on an online survey of 2,500 Italian households).



Detailed survey findings

Key insights emerging from our 2023 research

Key messages for Italy market emerging across our research program (1/2)



The digital household is proving resilient despite the squeeze on household spending

- ▶ Less than one in five households are taking steps to reduce technology, connectivity and content expenditure inside the home
- ▶ Willingness to pay a premium for the latest technology is increasing year-on-year, with more customers prepared to pay a premium for good customer service too (36%, +5pp compared to 2022). Value for money perception has increased by 9pp for content from internet provider while is stable for connectivity



Network reliability is customers' number one connectivity concern

- ▶ 29% of Italian households often experience an unreliable broadband connection, compared to 34% last year. However, this still lags the global average (26%). Meanwhile, 36% of Italians often experience an unreliable mobile data connection at home, compared to 29% in all markets
- ▶ The most important improvement households want to see from their broadband provider is a better network reliability (38%)



There are positive trends for streaming and pay-TV providers to draw on but beware content fatigue

- ▶ 38% of Italian households would be interested in taking a cheaper, ad-inclusive streaming service to save money
- ▶ There are also clear signs of content fatigue: 50% of Italian households believe there is too much choice of streaming platforms. However, this is partnered by clear demand for content aggregation: 39% would be willing to pay more to access all their content on a single platform

Key messages for Italy market emerging across our research program (2/2)



4

High prices are less of a barrier to smart home adoption, but trust and convenience issues persist

- ▶ For smart home products high prices are less of a barrier to take-up and value for money perceptions are improving
- ▶ The key challenge for connected home providers is to solve issues relating to device security, while ensuring that smart home tech delivers higher levels of convenience. In fact, trust in brand, price attractiveness and data security are top 3 criteria for choosing a new internet-connected devices



5

Appetite for bundle packages is on the up, catalysed by the cost-of-living crisis

- ▶ 37% of Italian households agree that the cost-of-living crisis has made them think to use a single supplier for all their connectivity and content needs, while likelihood of taking other service elements alongside broadband is growing year-on-year
- ▶ 63% think that getting a bundle of services from one provider is very important to save costs, with an increase of 18pp compared to 2022



6

Customer support satisfaction is rising year-on-year but still lags the global average, while the path to purchase is changing

- ▶ 60% of Italian households (vs 65% Globally) are satisfied with their customer service experience in the last 12 months, (vs 50% in 2022)
- ▶ The path to purchase is changing, with consumers less inclined to visit single brand websites and physical stores, and more inclined to visit multi-brand retailers. 60% agree that the cost-of-living crisis has made them shop around more for the best deals (vs 56% globally)
- ▶ Immersive internet experience (VR and metaverse) interest is growing (35% in 2023 compared to 30% in 2022), led by new generations

A man and a woman are sitting at a desk in a home office. The man, on the left, is wearing a red and blue plaid shirt and has his hand to his chin, looking intently at a document held by the woman. The woman, on the right, is wearing a white t-shirt and is pointing at the document. A laptop is open on the desk in front of them. The background shows a kitchen area with a wooden countertop and a lamp.

1

Detailed survey findings

The cost-of-living crisis and the digital home

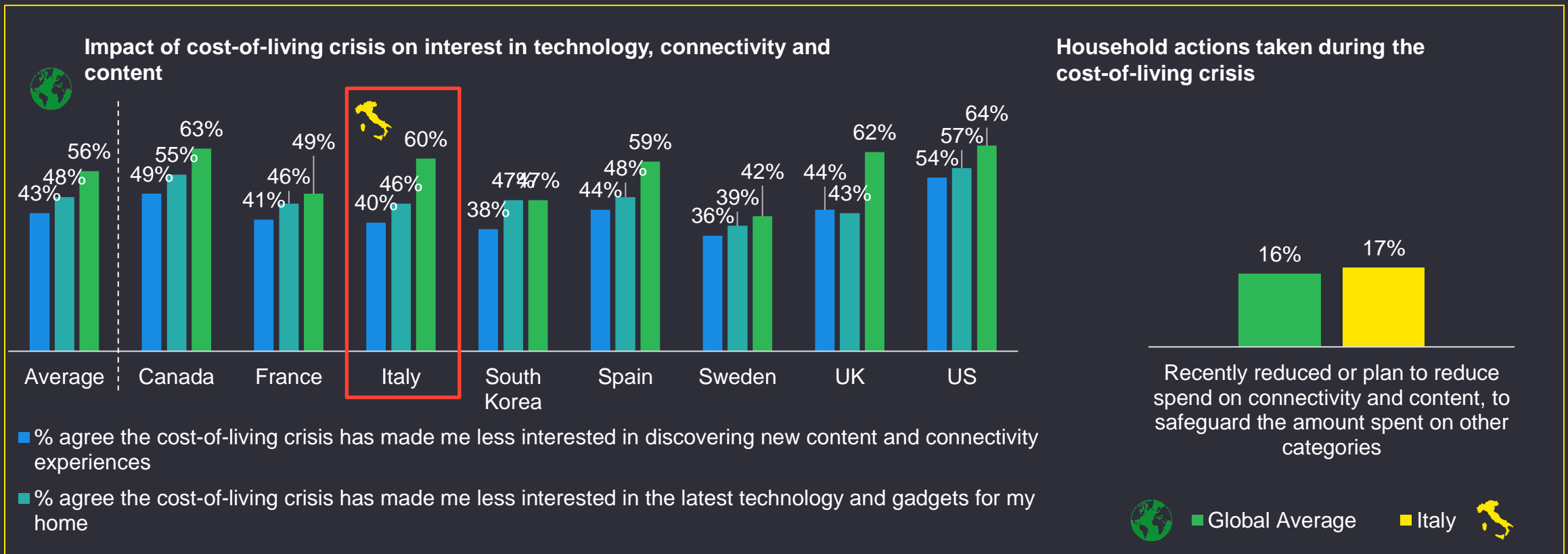
Resilience during a period of upheaval

1 - The digital household is proving resilient despite the squeeze on household spending

- ▶ As society adapts to a period of hyper-inflation with household spending under unparalleled pressure, so consumers are refocusing their priorities. More than four in ten households are less interested in new connectivity and content experiences (43% global average vs 40% Italy) and new technologies and gadgets for the home (48% global average vs 46% Italy). An even higher proportion (56% global average vs 60% Italy) say cost-of-living pressures have made them more likely to shop around for the best connectivity and content deals
- ▶ While the cost-of-living crisis has dampened interest in new products and services and prompted greater anxiety around price increases, the read-across for service providers is far from negative. Less than one in five Italian households reduced or plan to reduce spend on home broadband, mobile connectivity or content to safeguard the amount spent on other categories
- ▶ Consumer paid streaming is a fluid market, with overall growth in consumption partnered by changing consumer preferences and rising competition between platforms. The cost-of-living crisis has exacerbated this: 19% of Italian households have cancelled at least one monthly subscription in the preceding 12 months
- ▶ Value for money perceptions in connectivity have dropped slightly year-on-year, most notably for mobile services (62% in 2023, down from 65% in 2022)
- ▶ Meanwhile, appetite for taking additional services and new technologies is increasing year-on-year: 41% willing to pay a premium price for sport on TV (+7% vs 2022), 32% for super HD/4k content (+6% vs 2022) and 31% for a 5G mobile plan (+6% vs 2022)
- ▶ In addition, more consumers say they are willing to pay more for broadband connectivity in return for good customer service (36%, up from 31% 2022)

The squeeze on household spend has reduced interest in new services. Despite cost-of-living pressures, less than one in five households are reducing spending on connectivity and content.

Households are refocusing their spending priorities in a period of hyper-inflation. **More than four in ten households are less interested in new connectivity and content experiences (40%) and new technologies and gadgets for the home (46%).** In addition **60%** say cost-of-living pressures have made them more likely to **shop around for the best connectivity and content deals** and **17%** reduced or plan to reduce spend on connectivity or content.

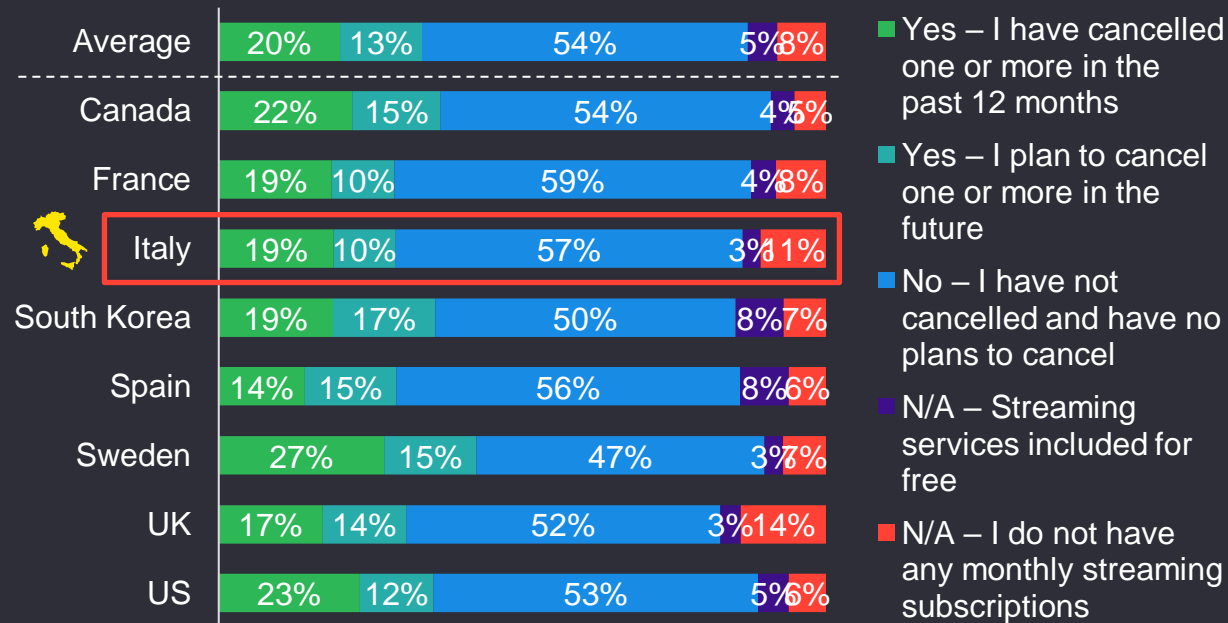


Consumer paid streaming is a fluid market: a portion of households are cancelling at least one streaming subscription. While cost savings are the leading trigger, other factors are also in play

19% of Italian households have cancelled at least one monthly subscription in the preceding 12 months, and a further 10% plan to cancel one or more in the future. When it comes to reasons why, 44% cite the need to cut costs, although an additional 33% cite content that is lacking or preference for other platforms, underlining that the competitive landscape also plays a significant role in cancellations.

Streaming services: subscription cancellations

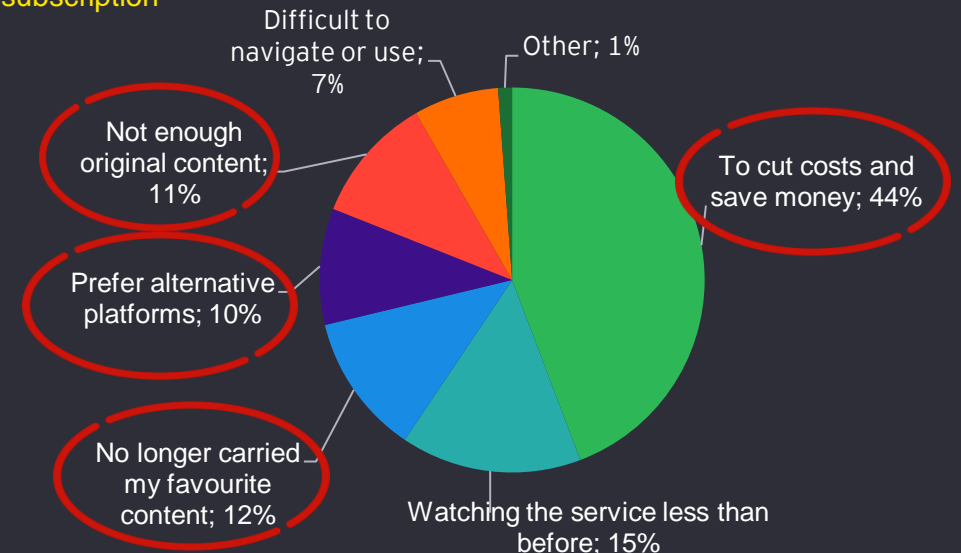
Have you cancelled a monthly subscription to a streaming service in the last 12 months or do you plan to cancel in the future?



Streaming services: cancellation rationales

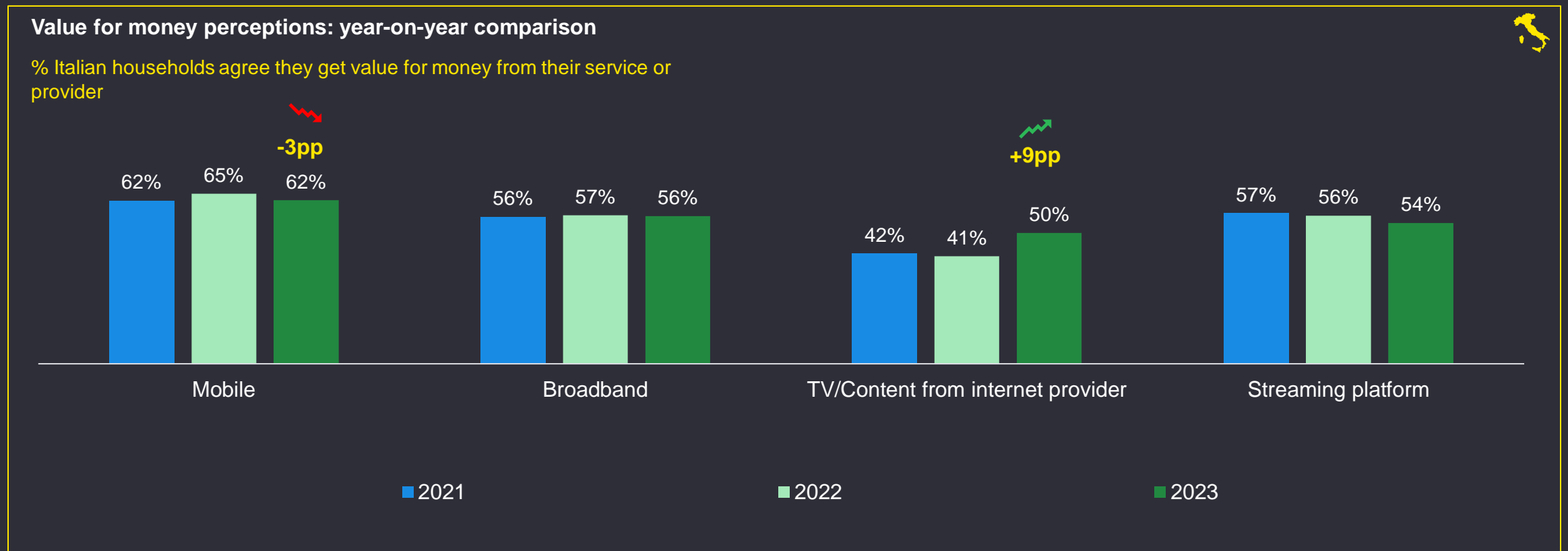
What was or is your main reason for cancellation?

% Italian households have cancelled or plan to cancel a monthly subscription



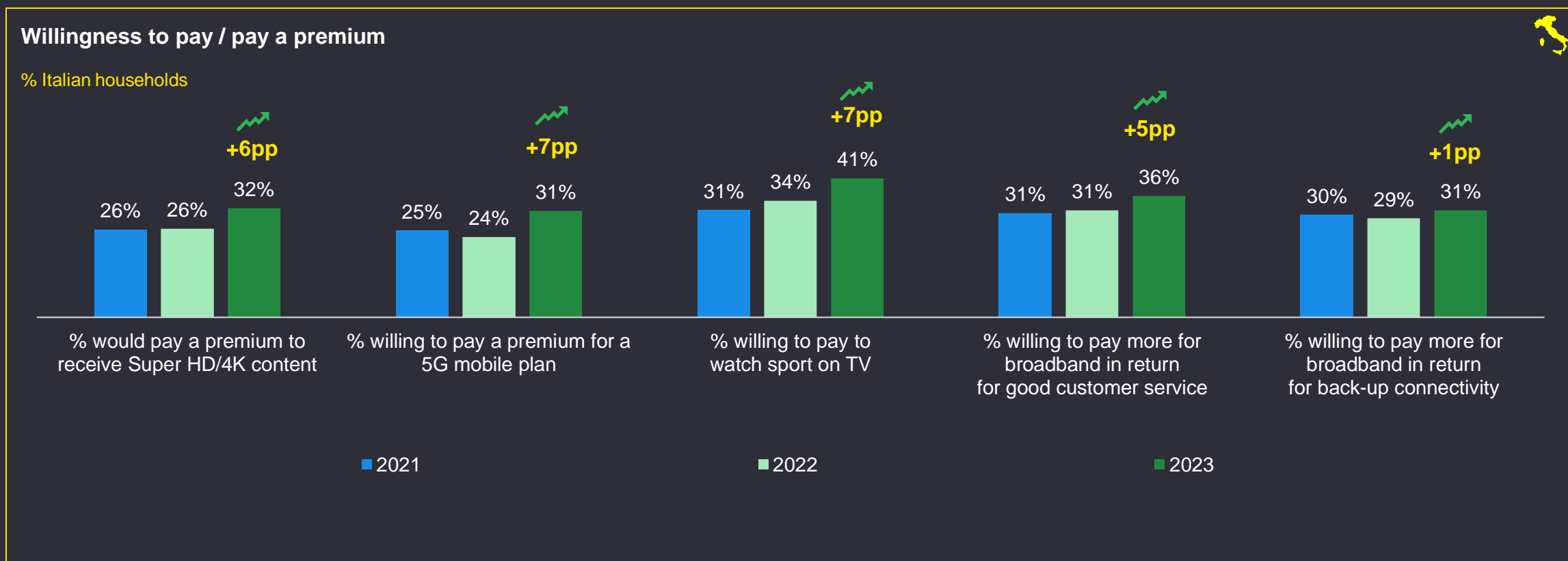
Value for money perceptions in Italy have dropped slightly year-on-year in some categories. Telco content has caught up with streaming platforms in terms of value for money


Value for money perceptions in connectivity have dropped slightly year-on-year, most notably for mobile services (62% in 2023, down from 65% in 2022) while for home broadband services is almost in line with last year, 56% in 2023 compared to 57% in 2022. However, 50% agree they get value for money from the content they purchase from their broadband provider, up from 41% last year, narrowing the gap with dedicated streaming platforms.



Receptivity to paid and premium offerings inside the home is growing

In the Italian market the willingness to pay more for the latest technology and services is increasing year-on-year: **41% willing to pay a premium price for sport on TV, 32% for super HD/4k content, 31% for a 5G mobile plan.** Meanwhile there are more customers prepared to pay a premium for good customer service too (36%, +5pp compared to 2022).





2

Detailed survey findings

Network quality in focus

Reliability is the number one customer requirement

2 - Network reliability is customers' number one connectivity concern

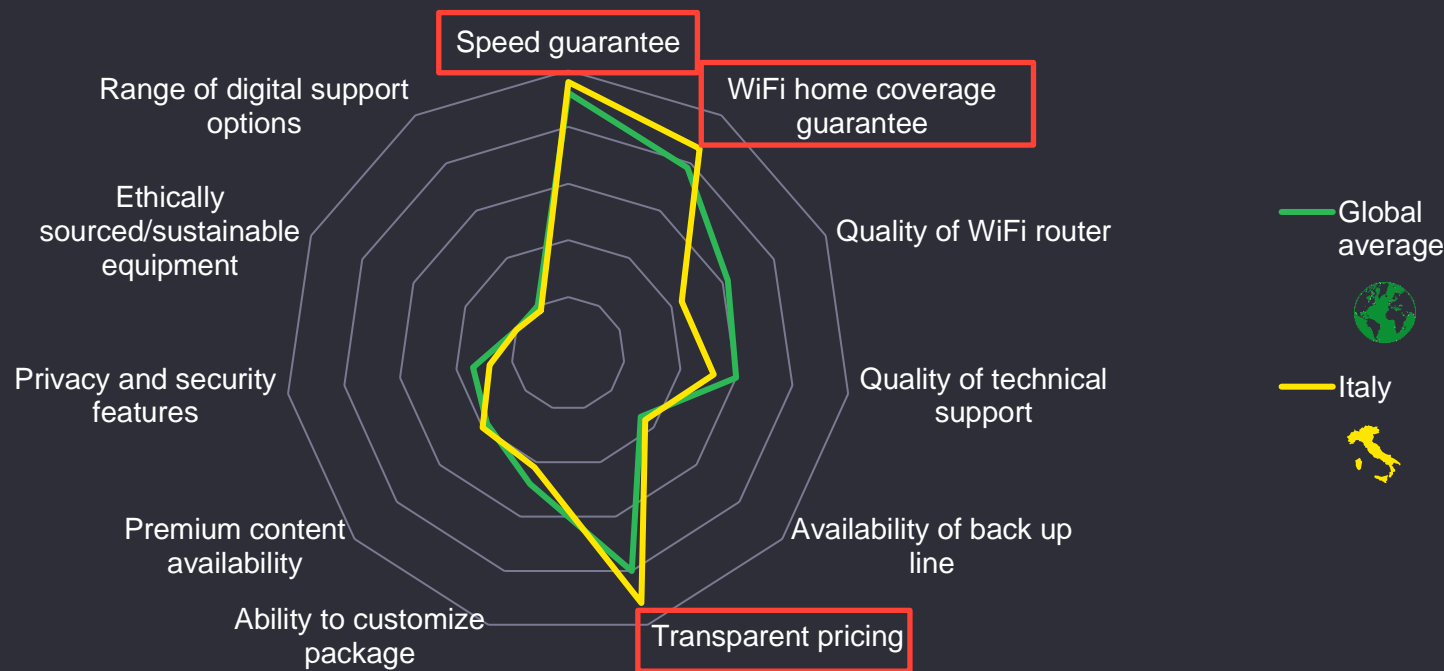
- ▶ For Italian households the most important elements of a broadband package are related to the performance of the connection itself. Four of the top five answers relate to performance – including speed guarantee (46% on average across markets and 48% for Italy), home coverage guarantee (39% global average vs 43% Italy), Wi-Fi router quality (31% global average vs 22% Italy) and the quality of technical support (30% global average vs 26% Italy)
- ▶ Transparent pricing is the other leading consideration (40% global average and 46% Italy)
- ▶ Interestingly, this focus on performance guarantees finds service providers wanting: 42% of Italian households believe Wi-Fi guarantees are untrustworthy, although this figure has dropped from 46% last year
- ▶ Household experiences of network quality inside the home are evolving year-on-year. Home broadband network quality is improving but is still below the global average: 29% of Italian households often experience an unreliable connection, compared to 34% last year. However, this still lags the global average (26% often experience an unreliable connection)
- ▶ Meanwhile, 36% of Italians often experience an unreliable mobile data connection at home, compared to 29% in all markets. While 4G and 5G coverage levels have improved in recent years, this is not translating into noticeable improvements in in-building performance
- ▶ Overall, this greater susceptibility to poor reliability is reflected in the most important improvement they want to see from their broadband provider, with 38% of Italian households citing better network reliability, compared to 33% of households across all markets

Performance attributes top the list of consumers considerations when evaluating broadband packages, but households don't trust service provider guarantees

When asked which elements of a broadband package rank as their top three considerations, households overwhelmingly favour those related to the performance of the connection itself: **speed guarantee (46% global average vs 48% Italy)** and **home coverage guarantee (39% global average vs 43% Italy)** first of all. **Transparent pricing is the other leading consideration (40% global average and 46% for Italy)**.

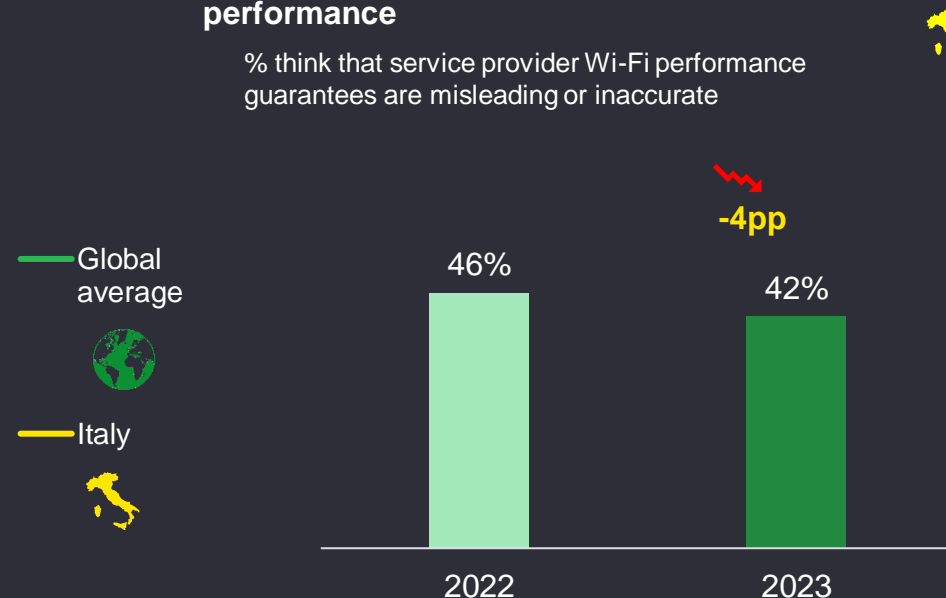
Household criteria for broadband service selection

Which of the following service elements of a broadband package would be your top three considerations?



Household views of broadband provider Wi-Fi performance

% think that service provider Wi-Fi performance guarantees are misleading or inaccurate



Fixed internet reliability has improved compared to last year but a growing proportion experience unreliable mobile signals at home

Improvements in experiences of network quality are apparent on home broadband, with 29% experiencing an unreliable connection in 2023, down from 34% in 2022. The trend for mobile data performance is less encouraging. 36% (vs 29% global average) of respondents experience an unreliable connection, up from 32% in 2022.

Household experiences of unreliable internet at home

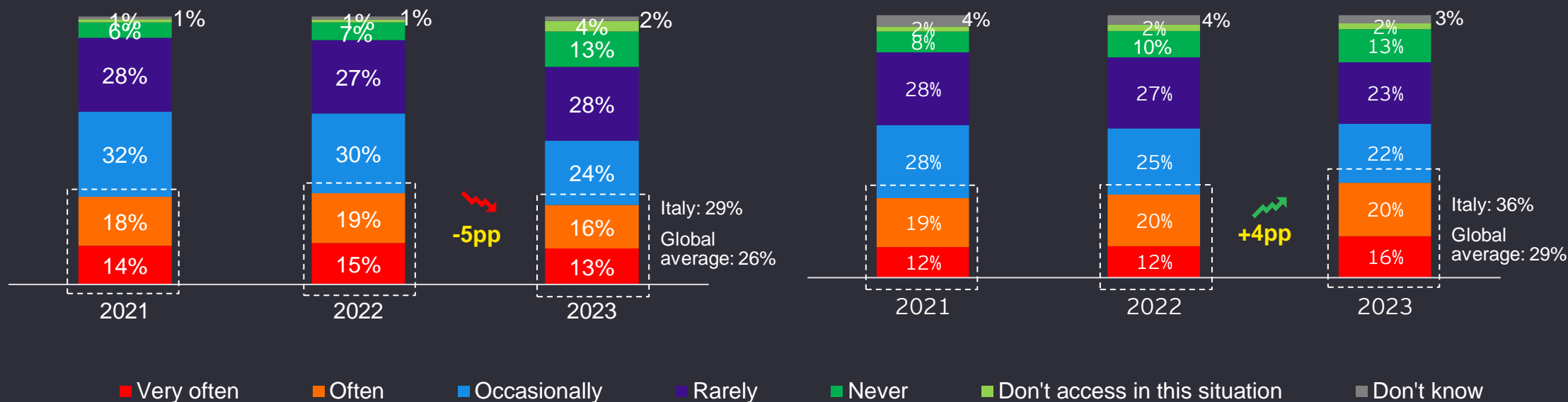
Q. How often do you experience an unreliable internet connection using home broadband/Wi-Fi?

% Italian households



Broadband/WiFi at home

Mobile data at home

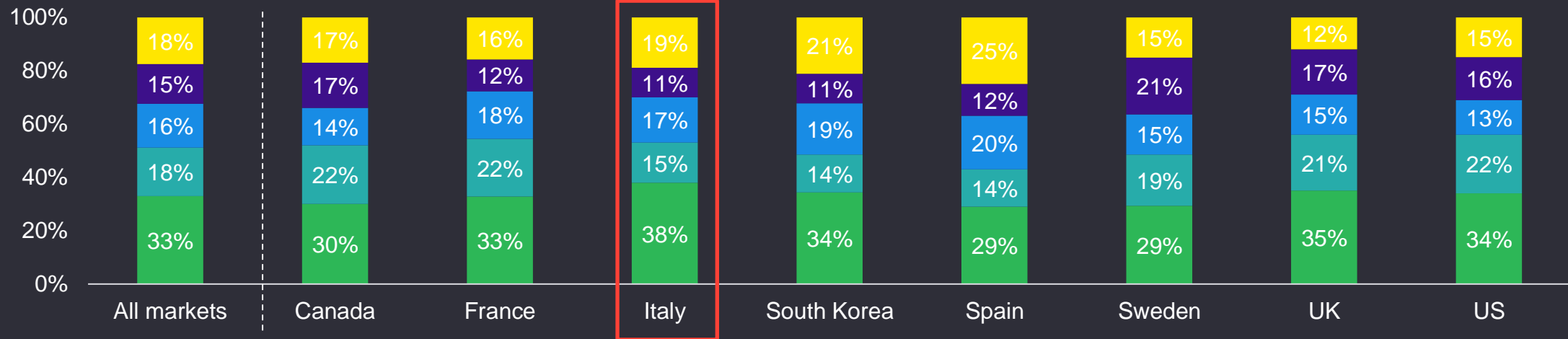


Ultimately, greater network reliability is the number one improvement customers are seeking in from their home internet provider, well ahead of other considerations

It is informative to contextualize the need for network quality within the wider framework of customer demands on their connectivity provider. Strikingly, when asked about the most important improvement telcos could make to their customer experience, **improving the reliability of the connection ranks top**, cited by 38% of Italian households (33% households on all markets average), and well ahead of improving the range of services they offer (19% Italy vs 18% global average).

Household perceptions of broadband experience improvements

Question: What is the most important improvement that your broadband / internet provider could make to your experience?



- Improve range of services on offer beyond connectivity
- Provide better advice when I have an issue/query
- Improve the reliability of connection

- Make it easier to self-serve
- Make it easier to understand and evaluate services/packages offered



3

Detailed survey findings

Evolving content preferences

Good news for both streaming and pay-TV providers but signs of content fatigue

3 - There are positive trends for streaming and pay-TV providers to draw on but beware content fatigue

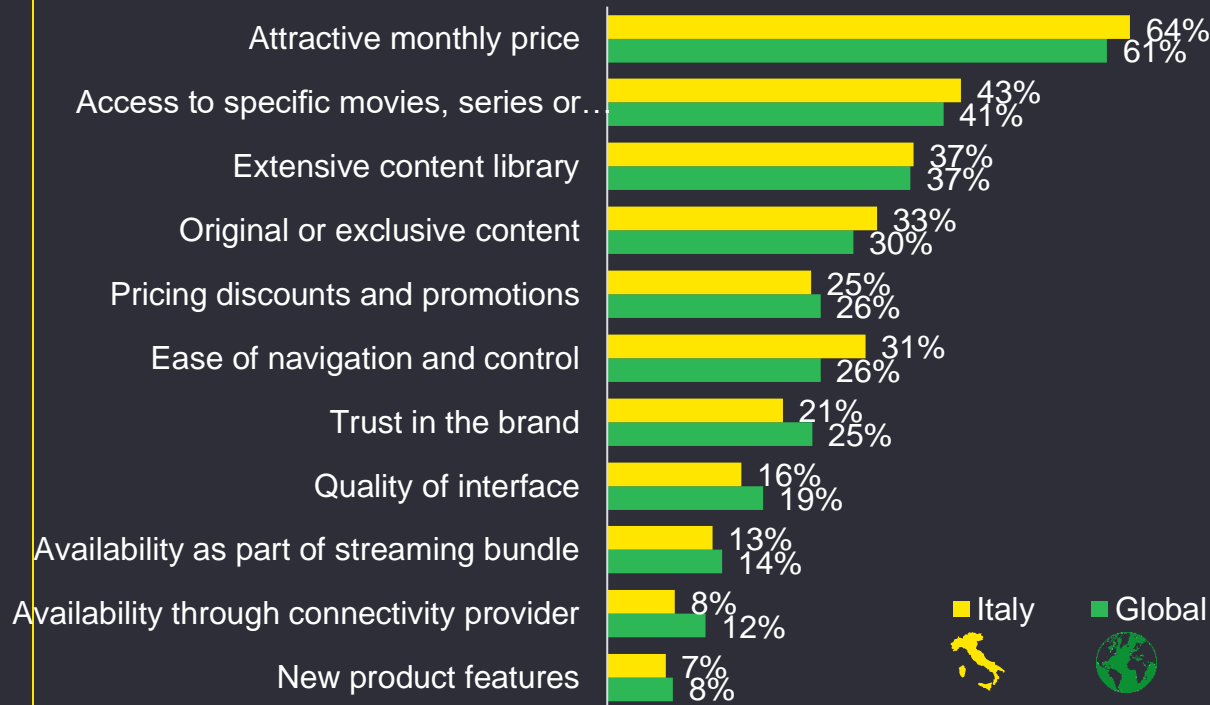
- ▶ **Attractive monthly prices is the number one factor considered by households when they evaluate streaming services (61% global vs 64% Italy).** Content specificity and content breadth also rank as top three selection criteria. 31% of Italian households are also interested in ease of navigation and control. Pricing promotions are also important, with one quarter of households in Italy receptive to them
- ▶ Meanwhile, household attitudes towards advertising underline its important role in the value proposition. **29% of households would pay more to stream without ads** – down from 30% last year - but a **larger proportion (38%) would be interested in taking a cheaper, ad-inclusive streaming service to save money.** Streaming providers that can reflect this interplay between advertising acceptance and monthly price in their packages have a powerful lever to tap varied customer need
- ▶ Content provider preferences inside the digital home are complex and fluid, as traditional broadcasters and streaming platforms vie for supremacy. Although streaming services are expanding their reach across content genres, competition between them is growing as new services continue to launch. In this light, there are signs of fatigue among consumers, with **54% on average across markets (50% in Italy) agreeing there is too much choice of streaming platforms**
- ▶ **40% of households on average across markets (39% in Italy) would be willing to pay more to access all their content on a single platform**
- ▶ **Younger users show the greatest appetite for content aggregation at a premium,** with 53% of 18-24 years old segment willing to pay more for single platform to access content. This underlines the importance of new forms of packaging and distribution going forward

Attractive pricing is the key driver of streaming platform selection, with advertising also an important lever in the value proposition

Attractive monthly prices is the number one factor considered by households when they evaluate streaming services (61% global average vs 64% Italy). Content specificity and content breadth also rank as top three selection criteria. Meanwhile, 29% of households would pay more to stream without ads – down from 30% last year - but a larger proportion (38%) would be interested in taking a cheaper, ad-inclusive streaming service to save money.

Streaming platforms: key selection considerations

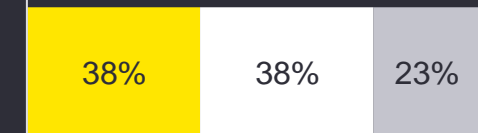
Question: What are the three main criteria for choosing a Video streaming service?



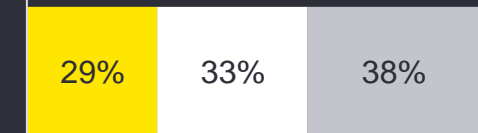
Household attitudes to advertising with the streaming experience

% Italian households

I would be interested in taking an ad-supported version of a streaming service in order to save money



I would pay a premium to stream TV without adverts

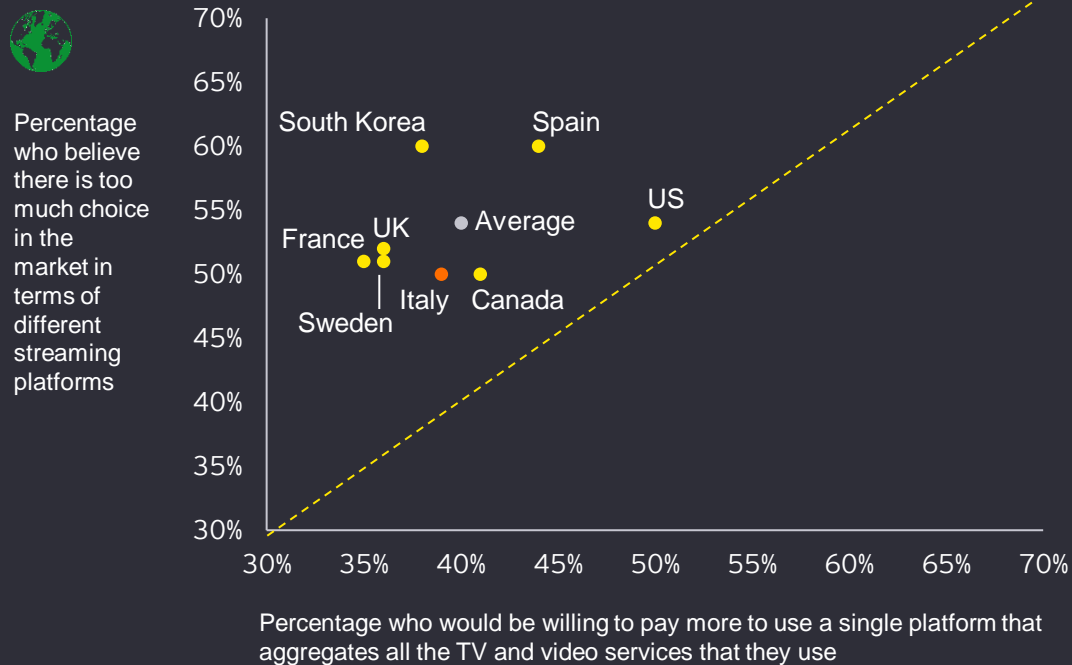


■ % agree ■ % neither agree nor disagree ■ % disagree

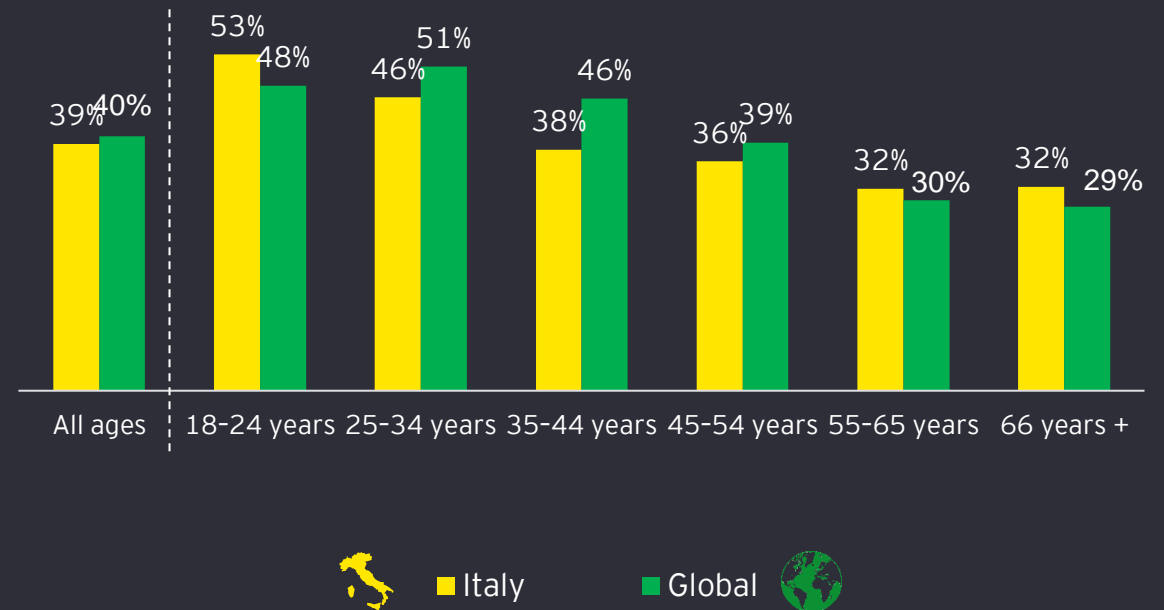
Despite streaming services' broadening appeal, most households are overwhelmed by the choice on offer. Many would pay more for a single platform to access content, especially younger users

Competition between streaming platforms is growing as new services continue to launch. In this light, there are signs of fatigue among consumers, with **54% on average across markets (50% in Italy) agreeing there is too much choice of streaming platforms**. **40% of households on average across markets (39% in Italy) would be willing to pay more to access all their content on a single platform**. Younger users show the greatest appetite for content aggregation in a single platform, with 53% of 18-24 years in Italy market.

Household attitudes to proliferation of content platforms: split by country

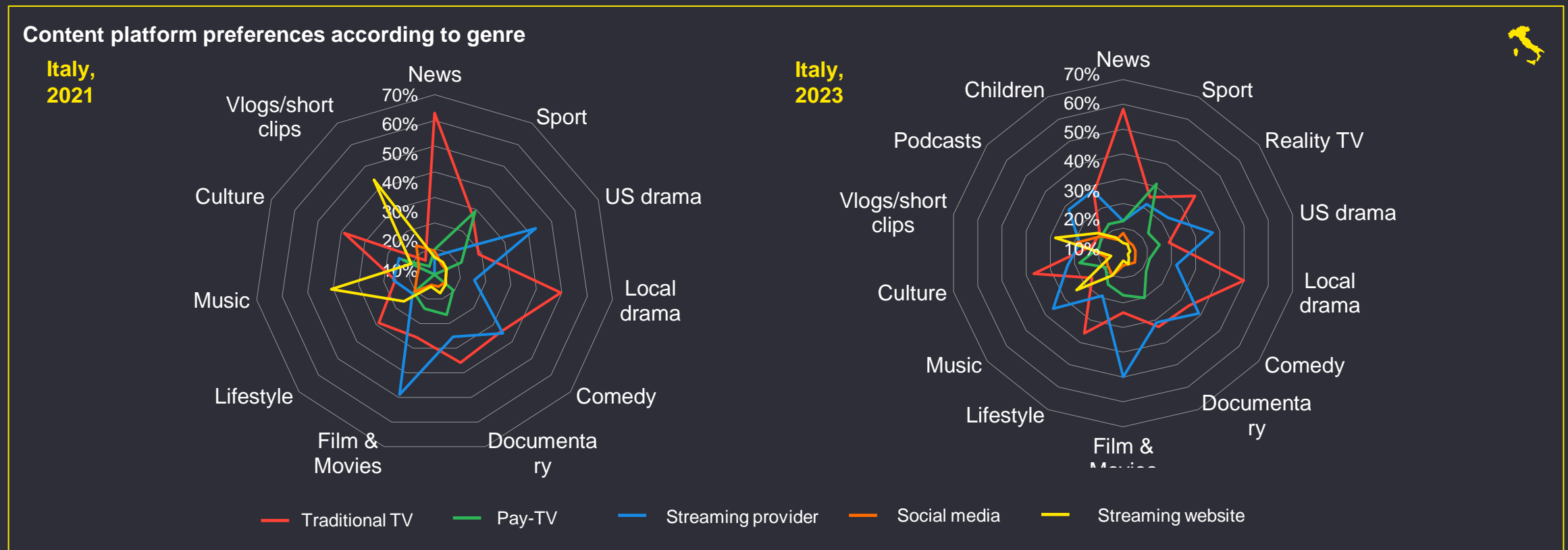


Household willingness to pay more for content aggregation: split by age



Preference towards traditional broadcasters is declining in a number of genres, while preference towards pay-tv and streaming providers is improving across various categories

Content provider preferences inside the digital home are complex and fluid, as traditional broadcasters and streaming platforms vie for supremacy. In Italy **streaming platforms are best established in films (50%), US drama (37%), Comedy (39%), Music (36%), Podcast (28%) and Children (28%)**. In 2021 streaming platforms were best only in films, US Drama and comedy. Documentaries are another genre where they are gaining ground, with a similar figure to that of traditional TV (27% and 28%).





4

Detailed survey findings

Sizing up the smart home

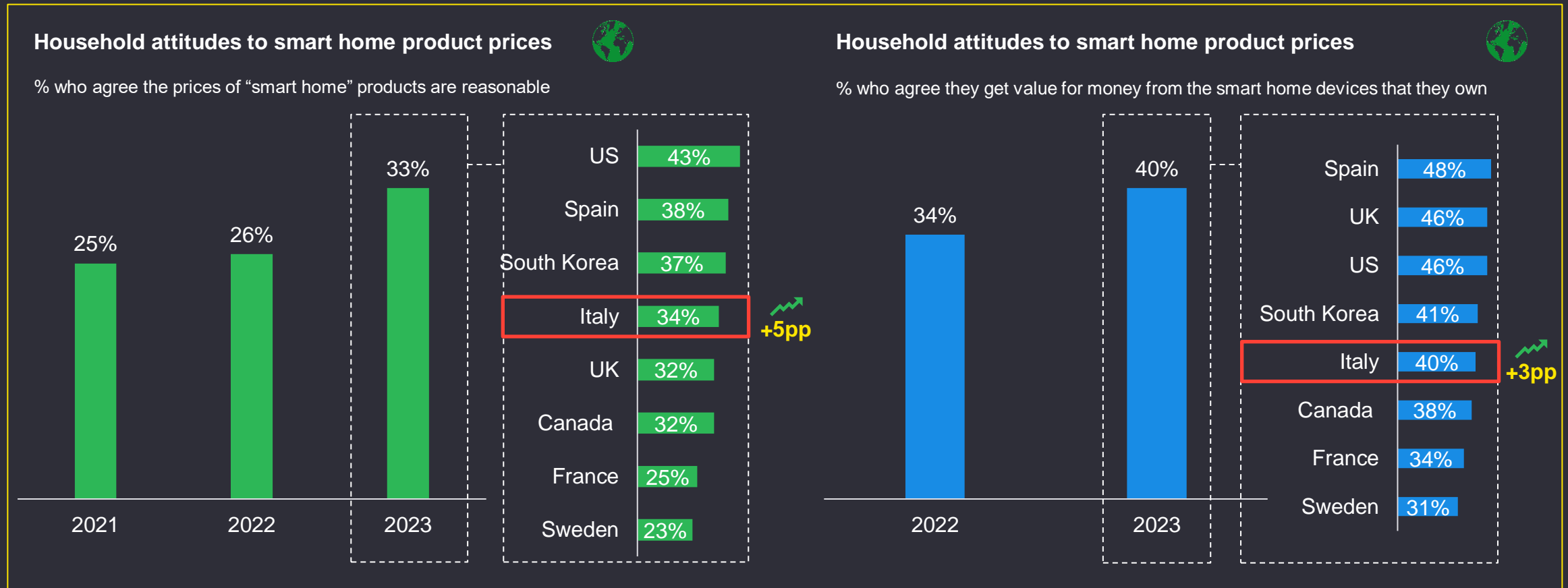
Pricing is less of a barrier but adoption is constrained by low trust and convenience

4 – Smart home evolution represent a growth opportunity for those players who will be able to ride trends and mitigate households' concerns

- ▶ **Connected homes are an important growth opportunity** for connectivity and entertainment providers eager to **diversify service portfolios, creating new revenue streams and cross-sell to existing customers**
- ▶ **34%** of Italian households feel prices of **smart home products are reasonable (+5pp YoY)** while **40% get value for money from smart home devices** they own (+3pp YoY): there is a positive trend despite the percentage is still low, meaning that **many of these products continue to remain out of reach for households due to cost**
- ▶ Between products, **Smart TVs are the most present**, with 67% of actual Italian homes and 33% households saying that they will own one in the next five years. Other products are under 25%, with **digital assistants well-established and good forecasts for devices related to wash, light and heat**
- ▶ There are **uncertainties which could inhibit penetration**, from **concerns around data security** through a **lack of compatibility between** different smart home products, but the 3-years trend shows a **progressive decrease of these concerns**
- ▶ **Trust in brand, price attractiveness and data security** are top 3 criteria for choosing a new internet-connected devices, **cited by one Italian on four**, suggesting that **established product and service providers could be at an advantage**. However, there are considerable **variations between different age ranges**, highlighting the importance to have a **clear marketing strategy for every cluster of age**

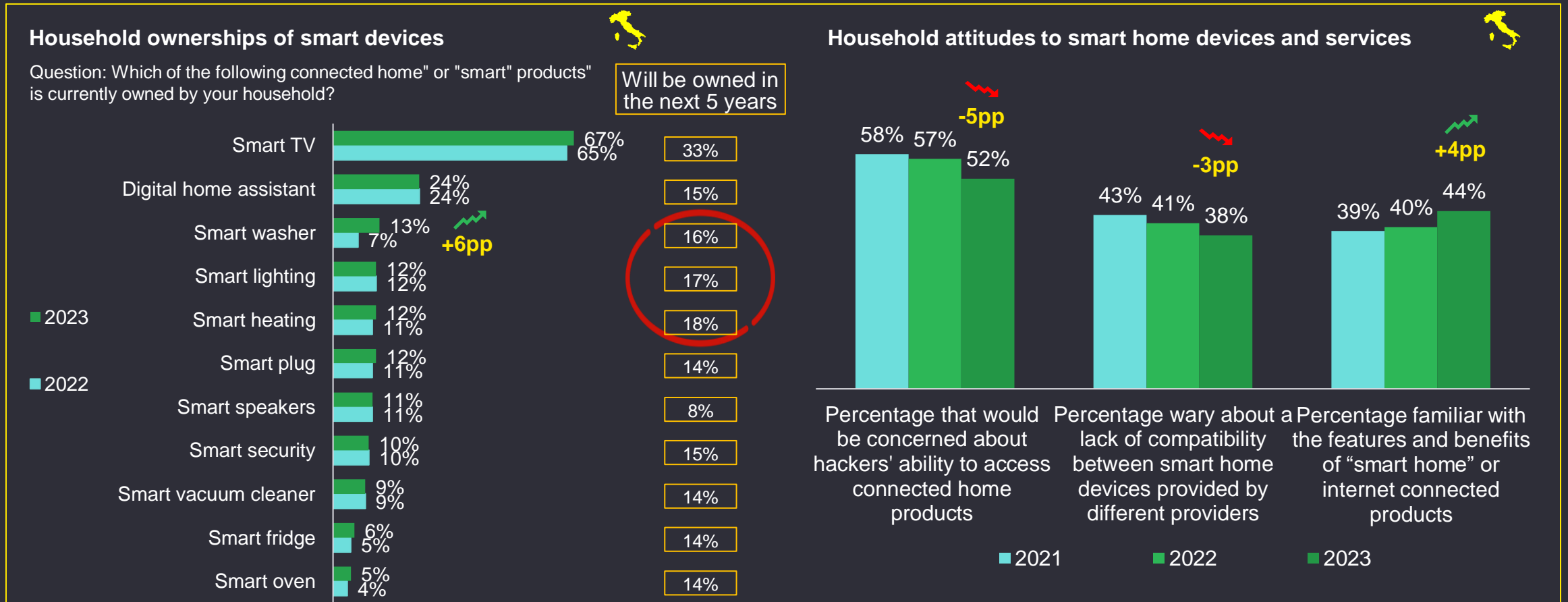
A growing proportion of households feel smart home products are reasonably priced, while value for money sentiments are improving year-on-year

There has been a **significant increase** year-on-year in households that agree the prices of smart home products are reasonable, from **26% to 33%**. Nevertheless, there is significant variation at the country level, with Italy positioned at 4th place, having **34% of population positive about price**. Value for money perceptions have also grown to 40%, with the **Italian household's perception increased** by 3pp since 2022.



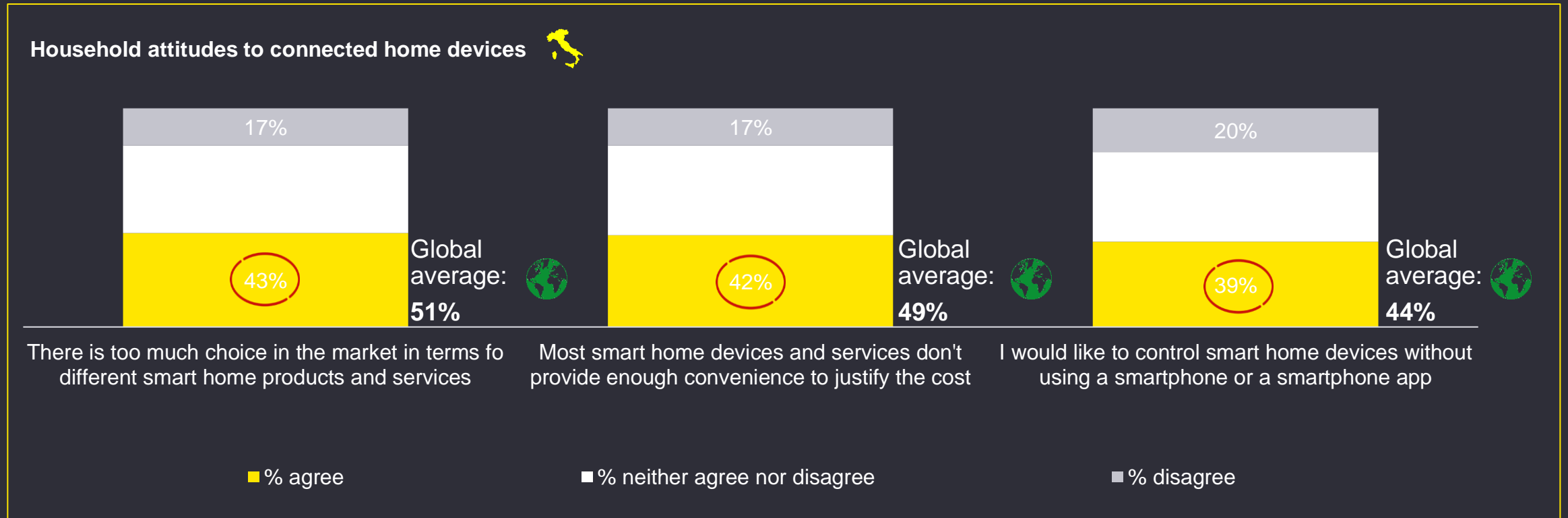
Smart home products have a foothold but price, privacy and compatibility concerns act as constraints on adoption for Italians, despite positive trends are emerging on these matters

Smart TVs are the only product with a presence of more than one in two households, while digital assistants are well-established with 24% of Italians homes. Penetration rates of more sophisticated home technologies remain low, despite good forecasts for devices related to wash, light and heat. Critically, there has been a 5pp 3-years increase of Italian population familiar with their benefits (44% in 2023 vs 39% in 2021).



A number of concerns are limiting levels of acceptance: the smart home marketplace is viewed as complex, with products lacking convenience and control simplicity

As with streaming services, there is a clear sense that the marketplace is congested, with 43% of Italian households feeling there is too much choice. Convenience levels are lacking: more than four of Italian households on ten believe most smart home services don't provide enough convenience to justify their cost. Intriguingly, 39% of Italian households (44% of global average) would prefer to operate connected home products without using a smartphone, suggesting they are receptive to new types of interface and control features.



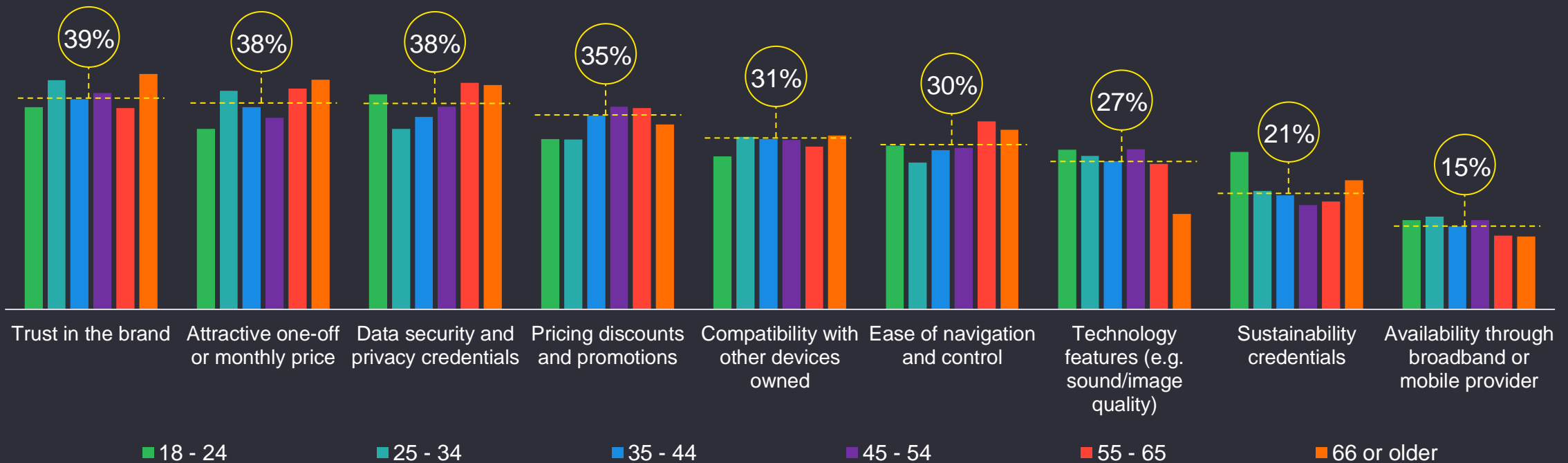
Trust in the brand ranks alongside attractive price and data security as a key consideration when choosing smart home devices. Discounts are also critical criteria in some age range

Analysing purchasing drivers, **attractive pricing is important**, cited by four in ten households, but **trust in the brand is even more important** (39%). Data security is just as important due to the high relevance for 55+. Also pricing discounts and compatibility with other devices matter, cited by 35% and 31% of households. However, there is **considerable variation between age ranges**: attractive price ranks first for 25-34 and 55+, meanwhile **sustainability credentials and technology features are of high importance for “GenZ”**.

Connected home device: selection criteria



Question: What are or would be your THREE main criteria for choosing a new internet-connected device for your home (e.g. digital assistant, home security camera)?



5

Detailed survey findings

Breathing new life into the bundle

New opportunities to redefine service offerings

5 – Bundle packages provide new opportunities to redefine broadband and content offers

- ▶ The cost-of-living crisis has prompted Italian households to **reconsider their value for money and the types of package that best suits them**
- ▶ In this context, an **impressive growing of appetite for bundle packages is rising**, with one in four households saying that would be interesting to get all of their connectivity and content services from a single supplier and **63% believing bundles are very important to save costs, with an increase of 18pp compared to 2022**. Furthermore, having a single bill and a single point of contact is much appreciated by consumers
- ▶ These rationales are **better established among older groups**; however, **younger groups are more likely to equate the cost-of-living crisis with the need for a single provider of connectivity and content**.
- ▶ Italian consumer receptivity towards taking additional products with broadband is rising year-on-year, with all categories showing a growth compared to 2022. Cloud storage, utilities, home working, gaming and health and wellness show the largest upticks (8-9 pp), underlining the **growing opportunity for providers**
- ▶ There is also an increasing trend in consumer interest in **taking additional services alongside video streaming**. **Discount deals for shopping and events are the most required products**, with one in two households interested
- ▶ Households opened to **drop their fixed broadband in favour of mobile are decreased from 39% to 33%**, with price savings and potential performance benefits as main rationales

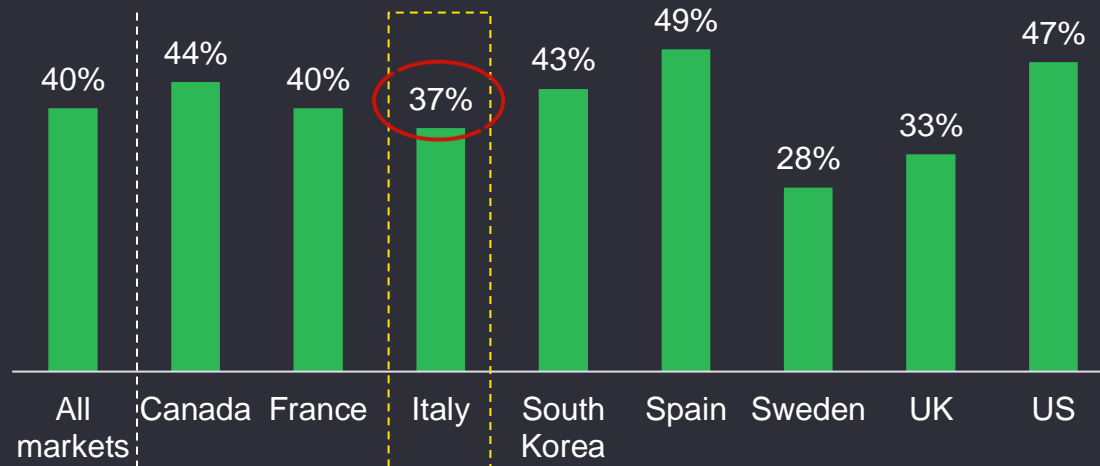
The cost-of-living crisis has sharpened customer focus on the benefits of the one stop shop

While bundles of connectivity and content have been a mainstay of the market for many years, 40% of households across all markets agree that **cost pressures have made them think it's better to get both types of service from a single supplier**. This positive perspective on bundle packages is further affirmed by appreciation of the rationales for buying bundles from a single supplier. **More than six in ten Italian households believe bundles are very important to save costs (+18pp vs 2022)**, with a similar proportion appreciating the convenience, in terms of **single bill and single point of contact for customer support**.



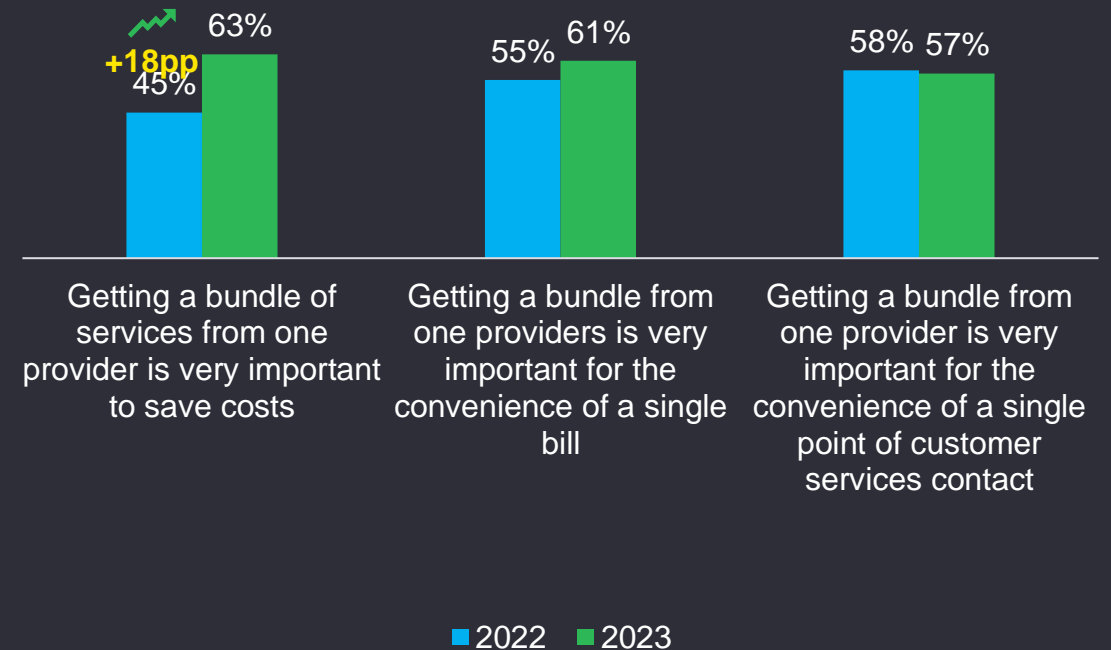
Impact of cost-of-living crisis on appetite for household bundles

% agree that the cost-of-living crisis has made them think it would be better to get all of their connectivity and content services from a single supplier



Household attitudes toward benefits of broadband bundles

% agree



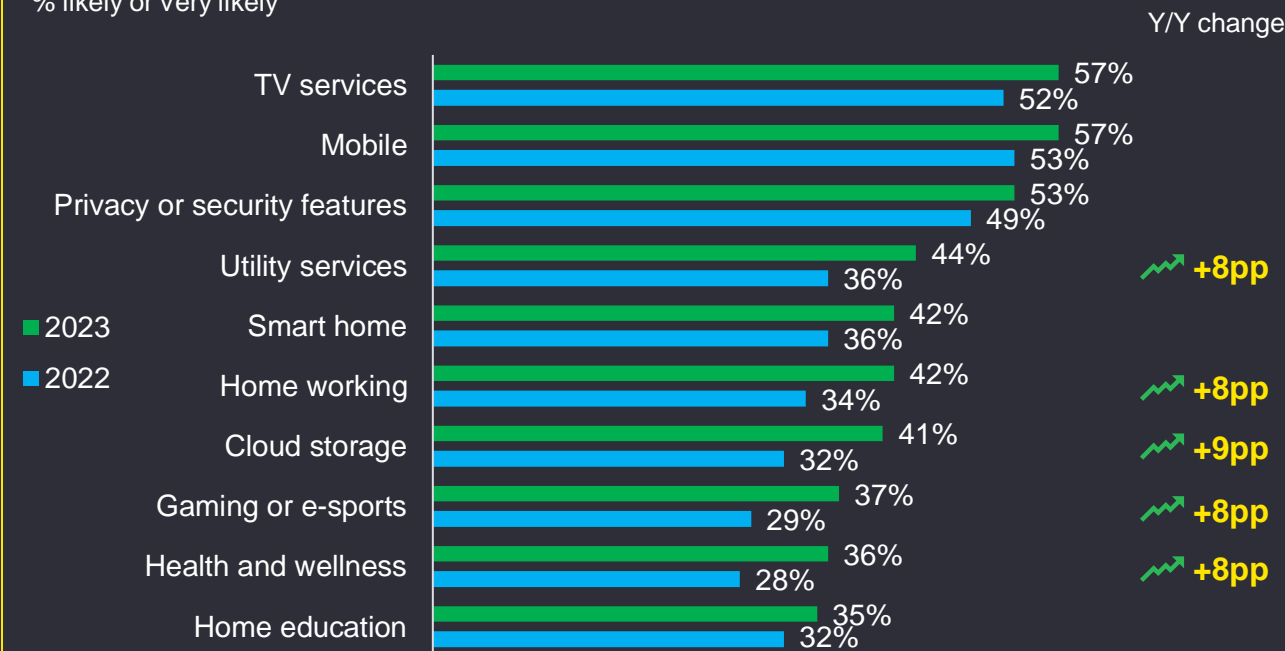
Consumer interest in taking additional products alongside broadband is growing – although the proportion questioning legacy service combinations is also on the rise

Established bundle services, with TV and mobile in first places, increased in all categories. Cloud storage, utility services, home working, gaming and health and wellness showing the largest upticks (8-9 pp), underlining the growing opportunity for providers. Interest, while 57% of Italian households are likely to take a bundle of TV and broadband in future, a growing proportion don't see clear advantages of buying them together. This may reflect inadequate content portfolios or limited pricing transparency.

Household propensity to add services to broadband

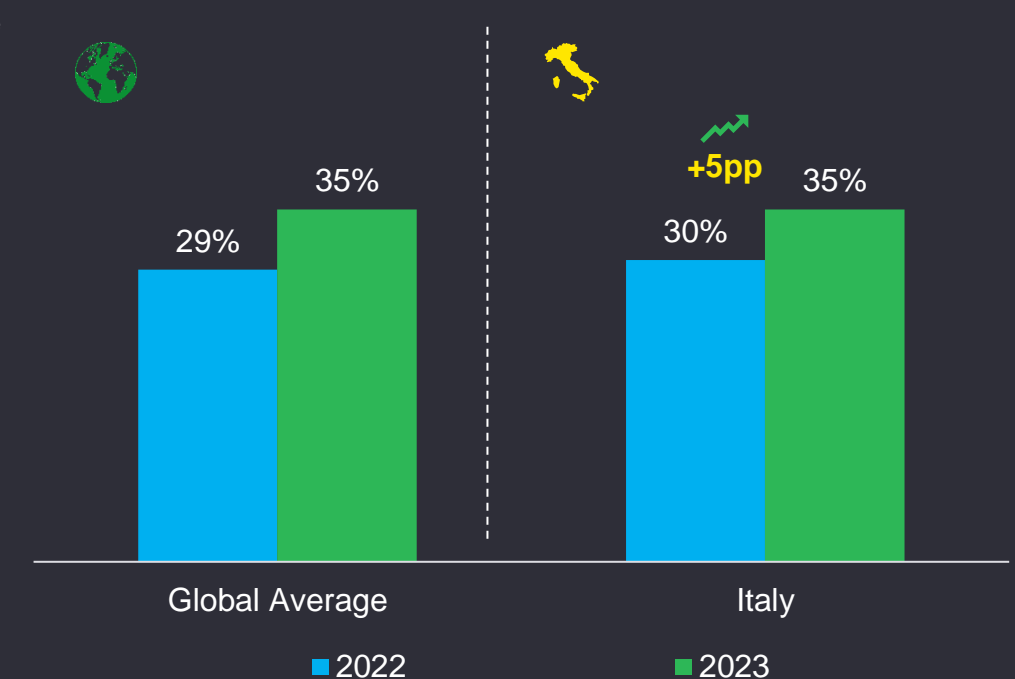


How likely are you to take a broadband bundle that includes the following additional products and services in the future?
% likely or very likely



Household attitudes toward buying broadband and TV services from the same provider

% who say the advantages of buying broadband and TV from the same provider are not clear

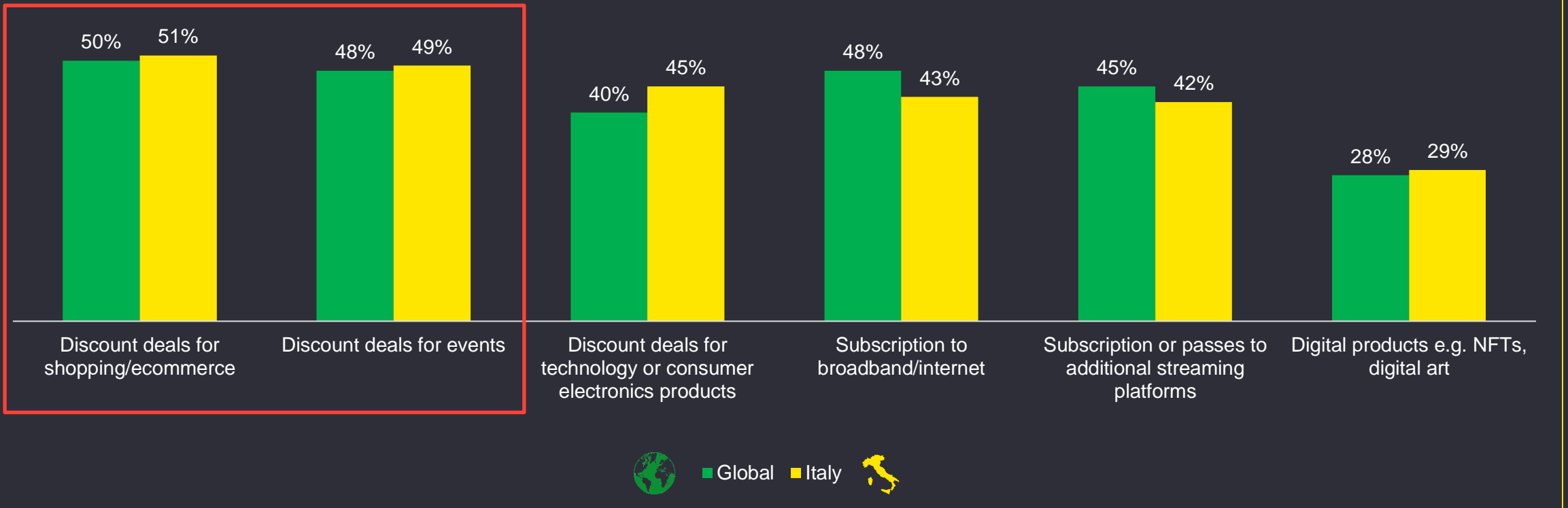


Households are also receptive to bundling additional products alongside their video streaming

Half of households, both Globally and Italian, would be receptive to **discount deals for shopping and events in addition to streaming**. Discount deals for consumer technology ranks a little further back (45% of Italian households). Crucially, 48% of Global and 43% of Italian households say they would be likely to take a streaming package that bundles an internet subscription. While the market average is lower than households who would take TV services from their connectivity provider (42%), it suggests that there could be **new approaches to bundling connectivity and content that major on the content portion of the offer**.

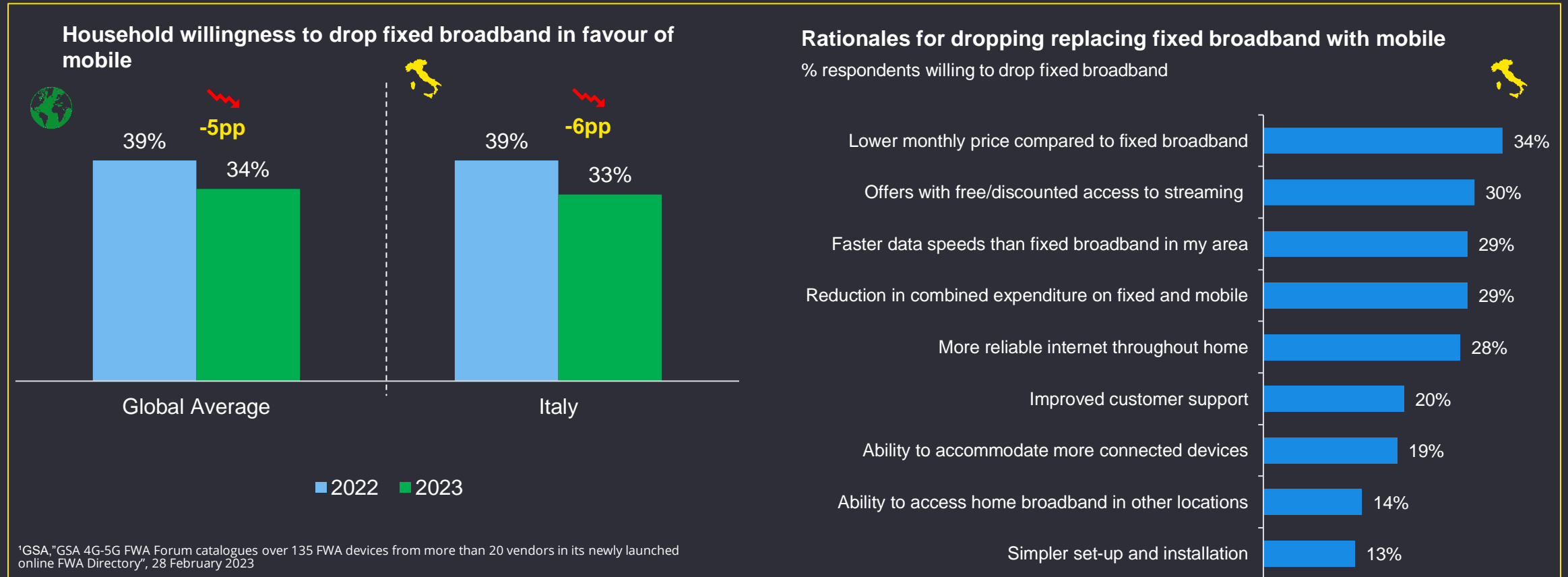
Household propensity to add services to streaming subscriptions

How likely are you to take a streaming service that includes the following additional products and services in the future?



Less consumers would be willing to drop home broadband in favour of mobile. Price savings are the dominant rationale, but potential performance benefits also rank highly

Households opened to **drop their fixed broadband in favour of mobile are decreased**. **Price savings and offers with streaming are the main rationale** to do so, cited respectively by 34% and 30% of Italian households, but performance advantages also feature prominently, with three in ten households citing a more reliable connection or the opportunity to receive faster data speeds. As the number of 5G fixed wireless access (FWA) on offer continues to grow (with 94 operators globally¹) these substitution sentiments suggest that the **right type of FWA offer could land well among certain customers**.



6

Detailed survey findings

Customer journey considerations

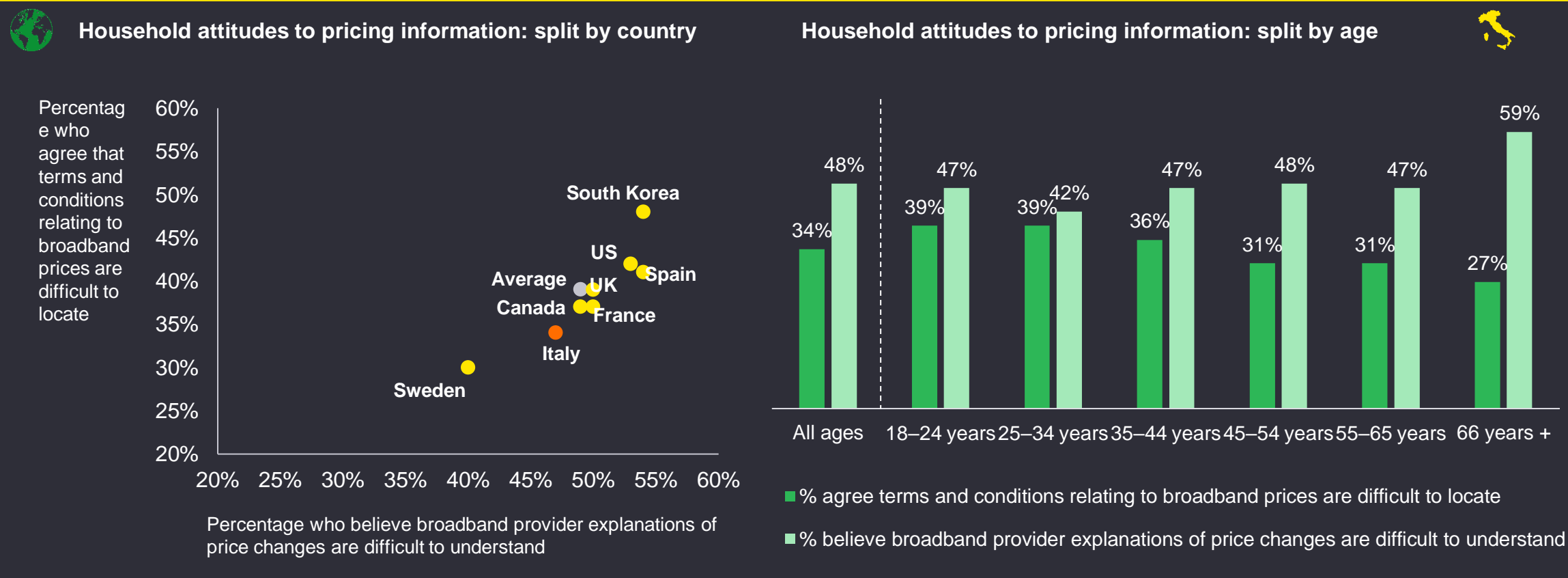
Satisfaction with customer support is growing but pain points earlier in the journey persist

6 – Consumer support satisfaction is growing, but there are pain points in customer journey to be improved

- ▶ Locating and interpreting pricing information is challenging for, respectively, 34% and 48% of Italian households: **making easier to find information needed and understand them could help to improve customer loyalty**
- ▶ **Service providers are losing control of the path to purchase:** Italian consumers are less inclined to visit single brand retail stores or websites, with a decrease by 14 pp (from 55% to 41%). **Comparison sites and peer recommendations are improving in consumers' preferences**, growing from 13% in 2022 to 23% in 2023
- ▶ **Store assistant advice, product inspection and in-store promotions** are the main rationales to go in physical stores, but some cite time savings and simpler product comparisons, suggesting **online shopping can be a complex experience for some**
- ▶ **Customer support satisfaction has increased by 10 pp** (from 50% to 60%), during a period of rising interaction with service providers. **Customer interaction preferences are trending away from the call center**, which drop to 51% from 54% in 2022, to different ways to contact providers, such **instant messaging functions, emails and social media**
- ▶ Immersive internet experience interest is growing, from 30% in 2022 to 35% in 2023, with **age clusters below 44 years-old between 40% and 43%**

Locating and interpreting pricing information is challenging for up to half of households

With the cost of connectivity subscriptions continuing to grow, consumers are alert to pricing messages. However, their ability to evaluate value faces practical challenges. 48% of Italian households believe that explanations of price changes are difficult to understand, and this is consistent across age cohorts. Meanwhile, 34% have trouble locating terms and conditions relating to prices, with younger groups most affected. At a time when service providers are looking to provide greater reassurance around prices, they must ensure their dialogue with end-users is fit for purpose.



Italian consumers are less inclined to visit single brand retail stores or websites, with comparison sites and peer recommendations playing a greater role than before

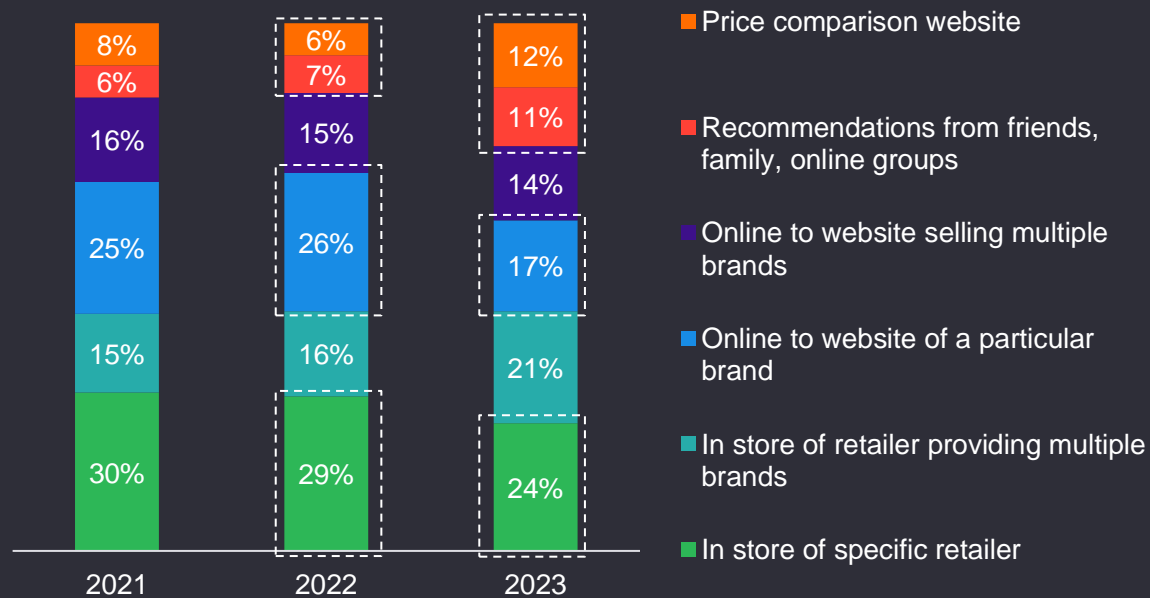
The proportion of Italian households seeking recommendations from **peers and price comparison sites** regarding mobile purchases has risen **from 13% to 23%**. Meanwhile, those going to specific brands' websites or stores has dropped **from 55% to 41%**. Overall **retail store preference** (including both single and multiple brand retailers) **stands at 45%**, stable compared to 2022, with an **increase of multiple brands retailer**. Rationales to go in store are led by **store assistant advice**, followed by **product inspection and in-store promotion**.



Consumer channel preferences on the path to purchase

If you were to purchase a new mobile device or plan, which of the following would you visit first?

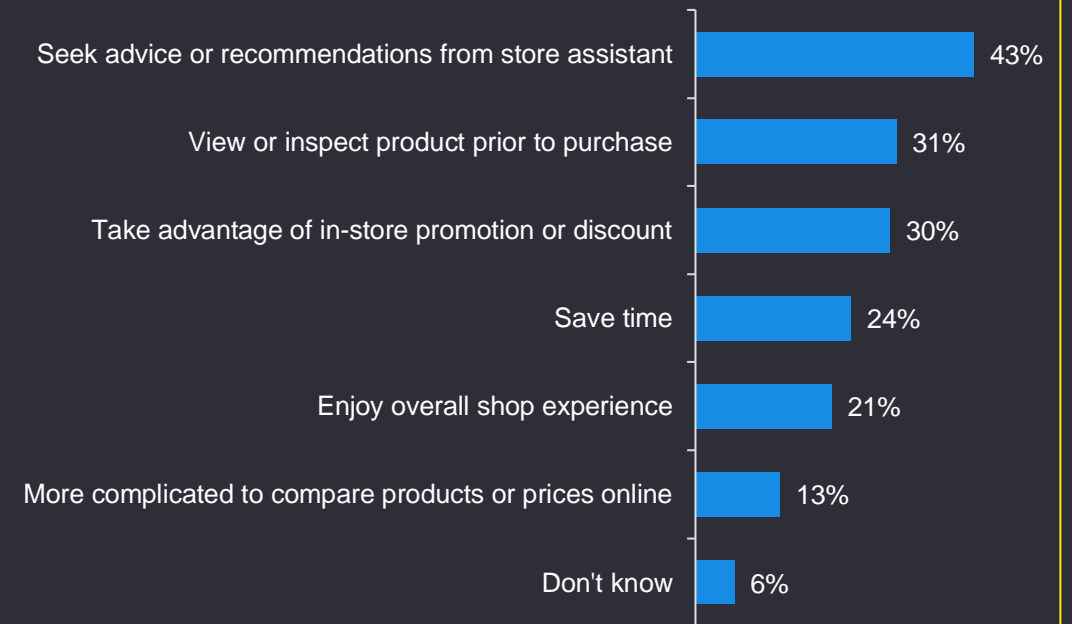
Percentage of households



Consumer rationales for retail store preference

Why would you go in store to a retailer to buy a mobile device or package? (Please select three)

Percentage of households

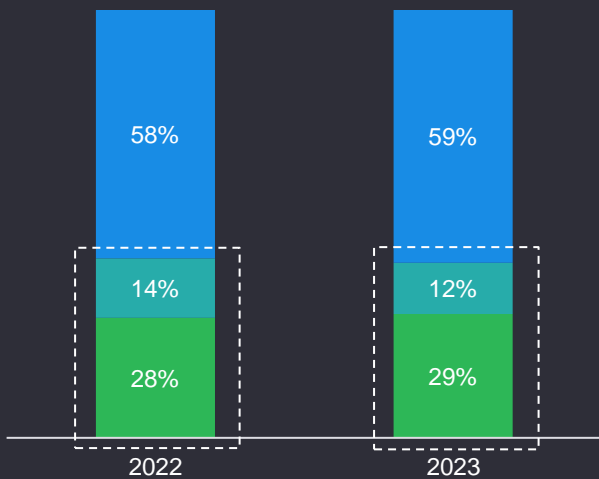


Customer support satisfaction is increasing YoY in Italy, during a period of rising interaction with service providers. Customer interaction preferences are trending away from the call centre

In Italy, **60%** of households are satisfied with responses to their broadband queries or issues, **up from 50% in 2022 and 5pp below the Global average**. These more positive sentiments come during a period of rising interaction with customer support: **29% of Italian households have contacted customer services in the last year**, up from 28% in 2022. Critically, we are seeing a **reduction in consumer preference for the call centre**, while contact by email increase by 6pp. However, by **attending to issues earlier in the customer journey**, provider can help reduce the number of issues and queries that households experience.

Broadband customer support contact

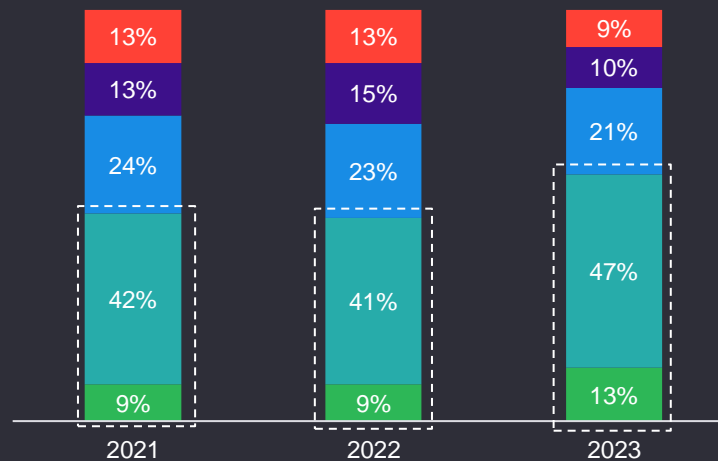
Q. Have you contacted or interacted with the customer services of your service provider in the past 12 months to make an enquiry or resolve an issue?



- No - I have not had any queries or issues
- No - I had a query but did not contact my provider
- Yes

Broadband customer support satisfaction

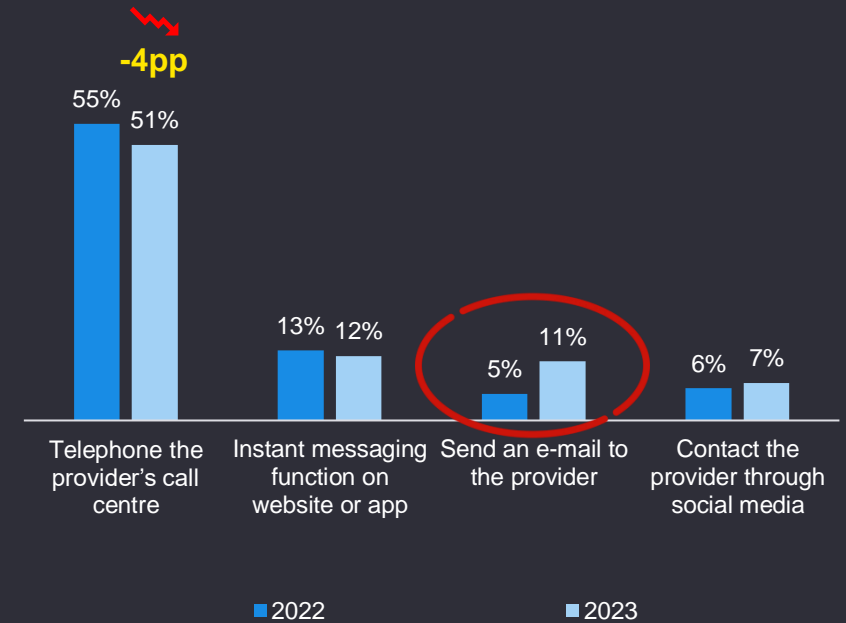
Q. How satisfied were you with the response to your broadband query or issue by customer services?



- Very dissatisfied
- Dissatisfied
- Neither satisfied nor unsatisfied
- Satisfied
- Very satisfied

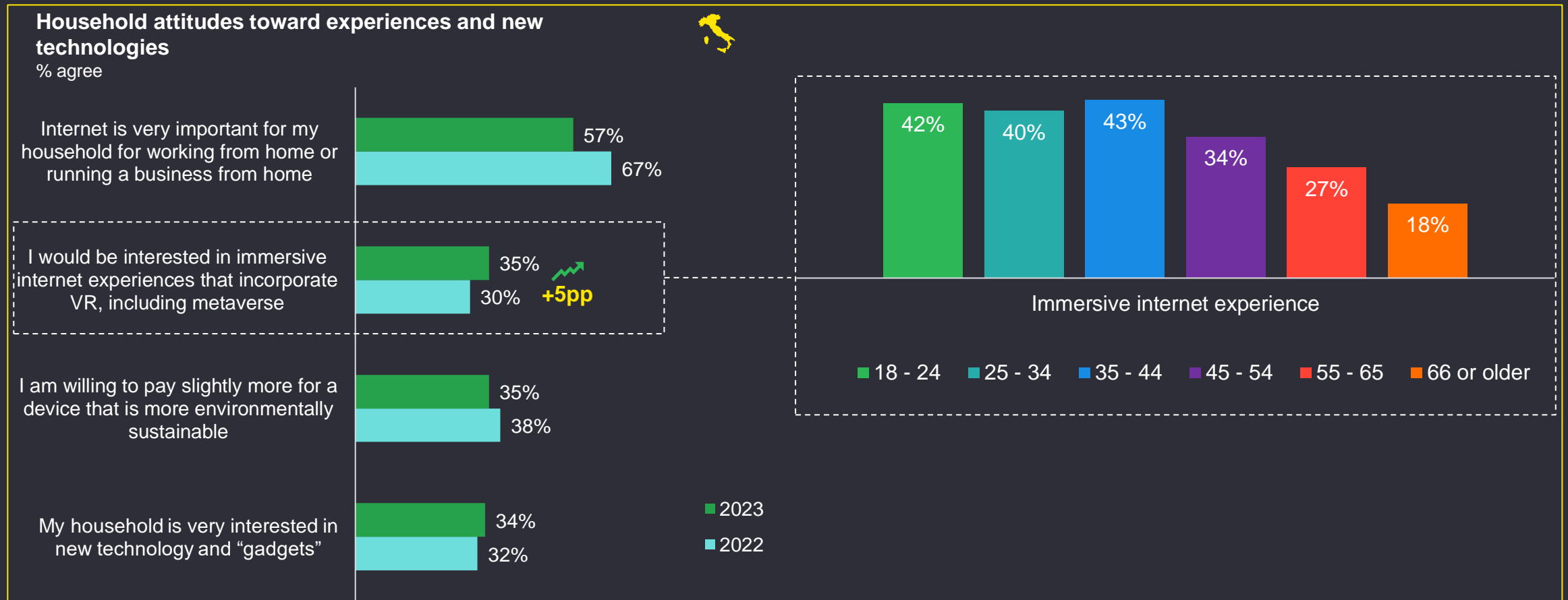
Broadband customer support channel preferences

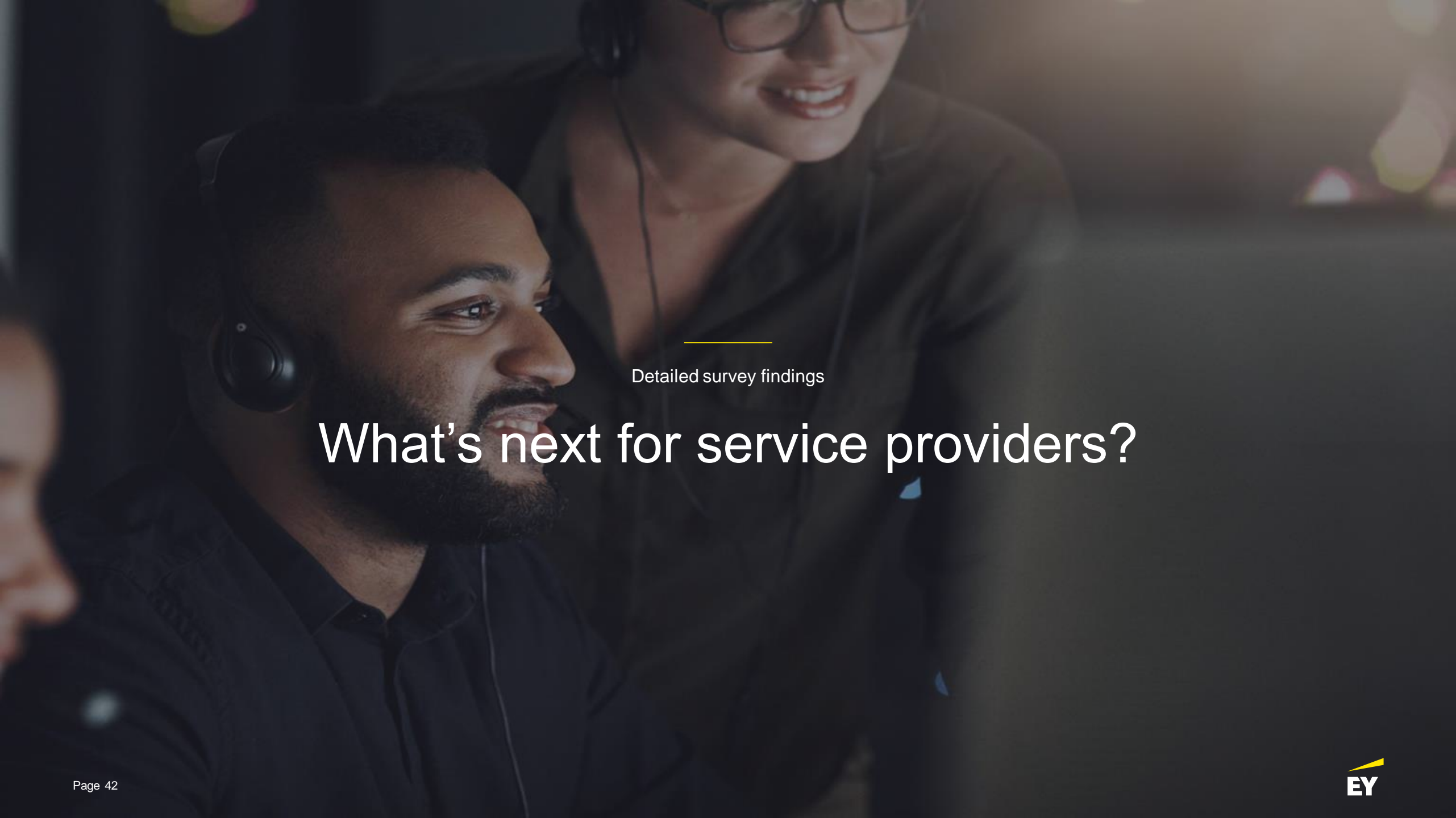
Q. If you needed to resolve issues with your service in the future, which method would you prefer to use



Immersive internet experience interest is growing led by new generations

Despite a reduction by 10 pp (probably due to the end of pandemic and the reopening) almost six households on ten agree that Internet is crucial for home working. Immersive internet experiences are growing, with 35% of Italian households interested in experiences that incorporate virtual reality. We can see a substantial difference by age, with clusters below 44 years-old between 40% and 43%, which decrease across age cohorts. Sustainability is also important and overall stable, with 35% of households interested in more sustainable devices. Finally, there is a growing attention to new technologies and “gadgets”.





Detailed survey findings

What's next for service providers?

Next steps for service providers

This year's survey findings contain plenty of positive developments that service providers can capitalize on. **Value for money perceptions remain positive** despite the cost-of-living crisis, **premium service propositions retain their appeal**, **appetite for bundles is increasing and customer support satisfaction levels have grown** year-on-year. Yet there are challenges, many long-standing, that require attention to ensure that **resilient spending levels and interest in new types of package translate into long-term customer confidence and satisfaction**. From network reliability concerns and content fatigue to challenges discovering and configuring new services, there are a number of areas for connectivity and content providers to address going forward.

1

Make pricing more predictable and easier to decipher

Build more confidence in the pricing message for the lifetime of the contract, ensuring that the pricing of packages with multiple components is clearly communicated and easy to unpick for more proactive customers. This can enhance loyalty in customers.

2

Simplify packages to capitalize on bundling appetite

Take a holistic approach to creating new packages, one that allows for service aggregation, but that is simple and modular by design. At the same time, it is critical to ensure that pricing does not become more complex in a bundled service environment.

3

Take the pain out of the path to purchase and installation

Make purchase and installation processes easier, in turn helping to reduce the burden on customer support functions. Accommodating indirect sales channels is also becoming more important, as consumers shop around more during the cost-of-living crisis.

4

Build more trust in the connection and the device

Take steps to address network reliability, whether that's educating customers around maximizing signal strength, providing proactive support during network outages or introducing new types of 'back up' functionality. Smart home providers should ensure that security and convenience credentials lie at the heart of their value propositions.

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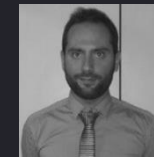
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