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PRESS RELEASE

2 March 2009
PB 009240

Belgacom and Telenet positioned best for the future

Brandhome studies image of telecom brands in Belgium

Brandhome has carried out a study among 1,000 Belgians into the image of telecommunication brands. The communication agency wanted to know how the different brands score on criteria like price, customer-friendliness and service quality. Brandhome was also keen to investigate which brands are best positioned for the future. Proximus turned out to have the best brand image. A one-stop-shop approach (land line, mobile phone, TV and internet services via a single provider) offers substantial benefits to the customer and therefore influences brand loyalty and brand potential.

Use of mobile phone and other services

Virtually every Belgian has a mobile phone. Between them, the Proximus, Mobistar, BASE and Telenet brands account for 95% of the country's mobile market. Half of all Belgians use their mobile phones exclusively for private conversations. One in four uses them for both work and private calls. Women make more private calls than men. Virtually no one uses his or her mobile for work only. Three out of four Belgians still have a land line. Just under half of Belgians have digital television.

Image of telecom brands

Belgacom, Proximus and Telenet are the strongest brands in the Belgian telecom market. Proximus has the best image among the mobile phone operators, scoring highest on a number of aspects, including quality, network and customer-friendliness. That means Proximus also has the biggest share of the market (42%), followed by Mobistar (35%), BASE (13%) and lastly Telenet (4%). Proximus is very much a male brand, Mobistar a female brand and BASE a unisex brand.

Opportunities and pitfalls

JIM Mobile and TMFmobile are the only players that have managed to establish a lifestyle brand in the telecom landscape. It is striking that the major operators have not succeeded in this regard. JIM and TMF have the potential to offer other communication solutions, such as Internet access. Telenet has huge potential for offering its customers mobile solutions too. It can only do so, however, if it delivers a mobile proposition in line with the market expectations of existing customers. BASE finds itself in a latent market loss situation, since the only reason to choose and/or stick with BASE is price. Another danger for BASE is the



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clear market trend in consumer preference for one-stop-shopping. The same applies, though to a lesser degree, for the Mobistar brand.

One-stop-shopping is an absolute competitive advantage

The study shows that brands that offer all services (land line, mobile phone, internet and digital television) together have the best cards for the future. Only Belgacom and Telenet truly have this strength. Technically speaking, therefore, the Belgian telecom market has become a duopoly between the Belgacom and Telenet brands. These two brands are the best positioned for the future: they will be the ones who fight the 'battle of the brands'.

Details of the study

The study was performed in November and December 2008 among just over 600 Flemings and 400 Walloons. It was carried out online by an independent market research organisation on behalf of Brandhome.

Brandhome is a communication agency that works according to a unique and effective brand-building methodology, the Brandhome method®. The agency's key goals include constantly increasing brand knowledge. Brandhome is headquartered in Antwerp, Belgium.

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Note for editors, not for publication:

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