

# OUR MOBILE WORLD ALWAYS ON #FOMO

A Deloitte survey places Australia as the sixth most concentrated smartphone market in the world after Singapore, South Korea, Norway, Spain and Sweden.

**PART OF A** global four year longitudinal Deloitte study of 37,000 consumers spanning 22 countries reveals that this Australian “always on” mobile world is led by smartphone penetration.

## Wake up and connect

Smartphone penetration is growing and our dependence is intensifying. For millions of Australians, the first thing we do when we wake up is to reach for our phone and connect. Most generations interact with their phones constantly throughout the day and many of us look at our phones last thing at night. A staggering nine per cent of Australians look at their phones between 50 to 100 times a day. Six per cent do so more than 100 to 200 times!

## Smartphones ... a nation divided

The smartphone market in Australia is dominated by two players: Apple and Samsung. The iPhone is the clear winner for those aged 45 or younger with the lower cost Android-based handsets preferred by baby boomers. However, both Apple and Samsung consumers are fiercely loyal and opt to stay with their “brand” and upgrade “within the brand family”.

So manufacturers are continuing to build connectivity in ways that support and stimulate service providers to build offerings that Australians can't live without. Australians take-up of mobile banking for instance – which is ahead of the US, UK and Germany – is such a development.

## Who do you trust with your money?

Although many Australians can be “picky” about banks, when it comes to mobile banking, our “need” for accessible, secure, and instant banking services is entrusted pretty much to our banks. As smartphones are increasingly used to check balances, transfer funds and transact online, our research shows that 55 per cent of adult “banked” Australians use a mobile banking app to transfer money and 35 per cent of the more than 2,000 Australians surveyed between the ages of 18-75 are prepared to use their mobiles as a payment device.

## In-store payments “going up”

Deloitte predicts this year will be the inflection year for “in-store” smartphone payments, with a worldwide increase of more than 1,000 per cent from last year. While the mobile wallet won't replace the traditional wallet yet, 30 million near field communications (NFC) enabled smartphone owners will drive the tipping point of in-store mobile payments. And as these NFC-enabled phones, like the iPhone 6, become mainstream, this could begin to disrupt credit card dominance given their user friendly security, aka fingertip recognition.

## Like, share, tweet ... repeat

The online social world is also driving our deep smartphone penetration in many ways, with Fear of Missing Out, #FOMO, a significant issue for the younger demographic. Australian consumers under 45 are ahead of global trends when it comes to checking social sites, with 44 per cent of Australians updating and checking their social networks daily on their smartphones. And although over-45 year old Australians lag many countries, we expect this statistic to pick up exponentially in

the next couple of years as this demographic increasingly gets into social. The opportunities are there for banks to leverage these trends using their social media channels and crafting services that make it useful and “more likely that” consumers opt to receive them.

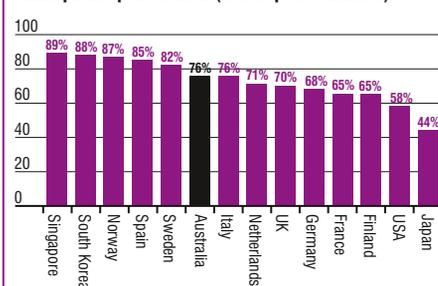
## WiFi or 4G – can you tell the difference?

WiFi is the way most of us connect to the internet on our smartphones. But remaining constantly connected is very important to Australians who are just as happy using their mobile networks to do so when out and about. As carriers invest in WiFi networks, speed and availability will be more accessible. Globally in 2015, Deloitte predicts innovation to swing from consumer to company and the smartphone upgrade market to exceed one billion for the very first time.

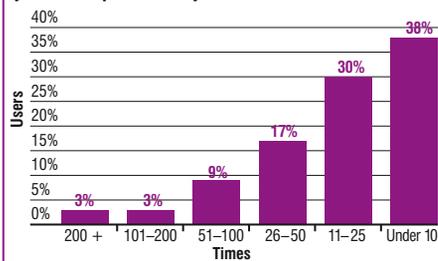
## The Internet of things (IoT) really is things, not people

In 2015, more than 95 per cent of the three billion global wireless IoT devices to be shipped will be bought, paid for and used by enterprises. The hardware of the IoT is predicted to be worth \$10 billion, but the big story is that the enterprise services enabled by the devices will be worth around \$70 billion. Because of the invasive nature of IoT, the internet will become invisible, but will remain the matrix where everything connects to everything. The real value will be in the savings and opportunities gained through smart businesses, smart factories and telematics. Financial services are pushing ahead of that curve.

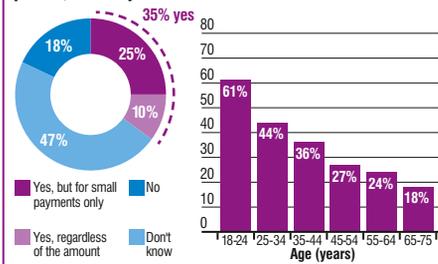
Smartphone penetration (developed countries)



How many times would you estimate you look at your smartphone a day?



If you were able to pay in a shop, using your mobile phone, would you use it?



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Stuart Johnston leads the Deloitte national technology, media and telecommunications practice. His team helps organisations to anticipate and respond to the changes that telecommunication and technological innovation is driving in consumer behaviour and business models.