

Press release

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Lack of trust in refurbished phones sellers stands in the way of sustainability

Deloitte's Digital Consumer Trends survey reveals that although the usage of connected devices has lessened slightly compared to the significant growth during the COVID-19 pandemic, consumers remain very connected, and a switch is happening from digital to virtual.

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Today, Deloitte's Digital Consumer Trends survey reveals that although sustainability remains a focus for consumers, there is a growing need for information about sustainability in the device industry to drive lasting behavioural change.

Customers still need to find their way into digital sustainability

Digital pollution¹ accounts for 4% of green gas emissions. However, only 43% of survey respondents indicated that they have heard of digital pollution, and 60% would like to be more informed about digital sustainability.

For almost half of the people surveyed (49%), sustainability is not important when subscribing to a new service with no significant difference among the different age groups.

Manufacturing accounts for almost all (95%) of a smartphone's carbon footprint. A brand-new smartphone generates an average of 85 kilogrammes in emissions in its first year of use. The single biggest factor that could reduce a smartphone's carbon footprint is to extend its expected lifetime. However, **only 3% of respondents consider ease of repair an important feature when choosing a smartphone.**

Despite this, consumers tend to keep smartphones longer than they used to. In the past 18 months, 40% of respondents bought a smartphone, compared to 55% in 2018. Only 9% of the phones bought were second-hand or refurbished.

"We noticed a behavioural paradox when it comes to the environment. While consumers want to make more sustainable choices in general, they are not yet ready to adopt sustainable digital behaviour. Trust plays a big role in consumers rejecting the refurbished market. Twenty-five percent say that the main reason they

¹ Digital pollution is the energy consumption and waste produced by digital devices, which includes the manufacturing of the device and its carbon footprint.

don't look into buying second-hand phones is that they don't trust the reseller of refurbished phones. To counter this effect, the industry should provide more information about the digital sustainable market," said Vincent Fosty, Technology, Media and Telecommunications Leader at Deloitte.

A shift is happening from digital to virtual

The market penetration of smartphones, tablets and laptops remains stable while more disruptive products such as voice-assisted speakers are continuing their slow growth year after year to reach a penetration of 10% this year. Meanwhile, wearables are gaining momentum with device access² growing year by year (10% in 2016 to 34% in 2022). **Smartphones remain the most accessed device, with 92% of the population having direct access**, reaching 97% for 18-24 year olds.

These devices play a big role in consumers' lives. Ninety-two percent of Belgians own a smartphone with 38% of users tending to stay awake later than planned because of it, and 39% saying that they want to spend less time on their devices. Half of all respondents use their phones as soon as they wake up.

The two most performed activities on connected devices are using social media and watching videos, both at 73%. Sixty-one percent of the respondents indicate that they check social media at least once a day. Video watching includes activities such as watching live TV (35%), short videos, live posts or stories (31%) or streaming films and/or TV series (26%). Belgian consumers today are very digital, although trying to change this behavioural trait.

"As we analyzed this year's results, we started seeing evidences of a shift from digital to virtual. The rapid expansion of online gaming, NFT's and digital currencies, augmented reality and other virtual elements all seem to signal another step towards new virtual worlds co-existing with reality" said Vincent Fosty.

The metaverse transports the user to a whole new world and enables the next-generation of social interactions. In Belgium only 21% of people know about the metaverse, which is quite low compared to other countries.

However, almost half (48%) of the respondents know about NFTs. Deloitte predicts that NFTs for sports media will boom and generate more than US\$2 billion in transactions in 2022. By the end of 2022, Deloitte expects that 4-5 million sports fans globally will have purchased or been gifted an NFT sports collectible. Interest in sports NFTs is likely to be spurred by activity in the wider NFT market, including that for digital art.

About the Digital Consumer Trends survey

Deloitte's Digital Consumer Trends is a multi-country survey of digital services users around the world. The 2022 study comprises 38,150 respondents across 22 countries and five continents, including 2,000 Belgian consumers aged 18 to 75. In this year's release, we center our analysis around 4 themes: the state of the device market, sustainability, digital to virtual and trust.

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² Devices that consumers own or to which consumers have ready access



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