



# **Socioeconomic Benefits of Bulgarian Fiber Broadband**

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**Stratix**



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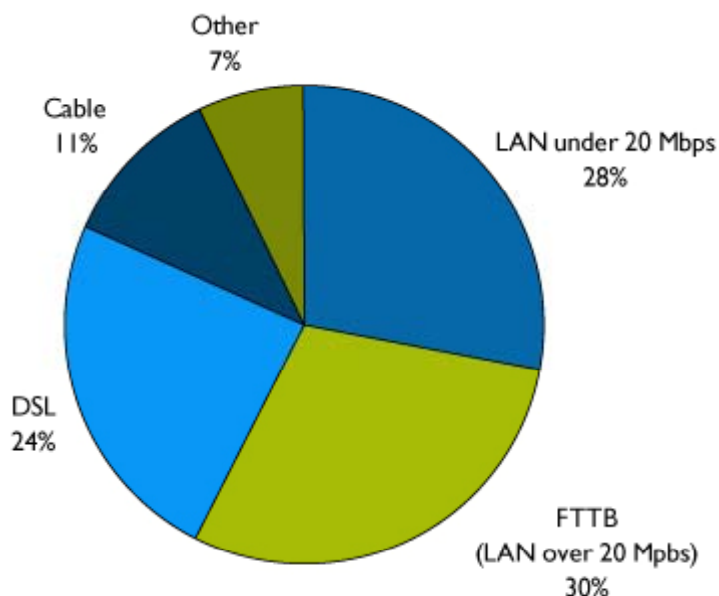
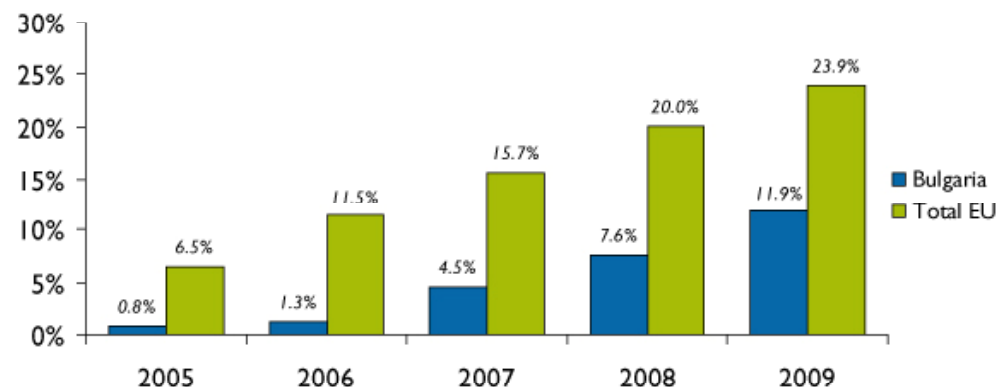
# Context of this Study

- Study undertaken by Yankee Group and Stratix Consulting from September to November 2009.
- A quantitative survey of Bulgarian Internet users (513 valid responses) examining their usage and perception of internet connectivity
- A series of qualitative interview in situ with Bulgarian officials, ISPs and high-tech gurus.



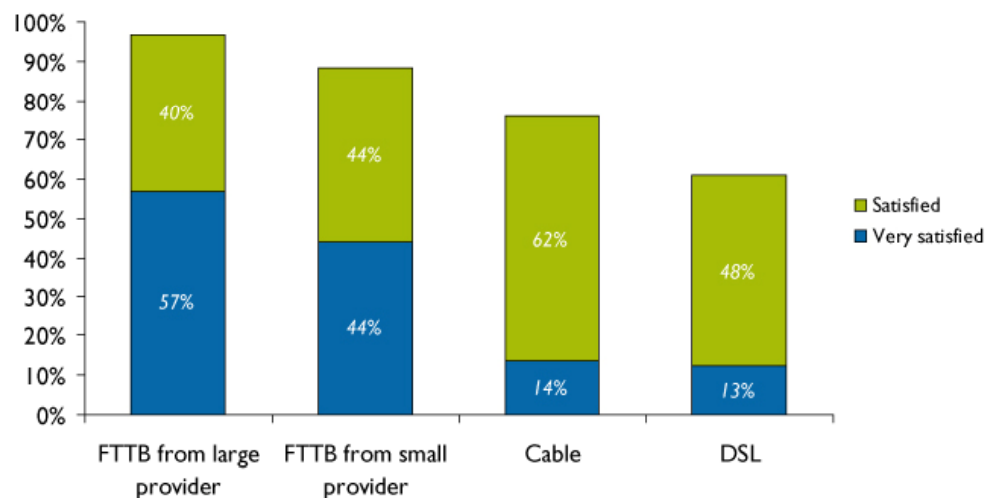
# Bulgarian Broadband Market Context

- Bulgarian broadband still lagging behind in Europe
- But growth is extremely fast.



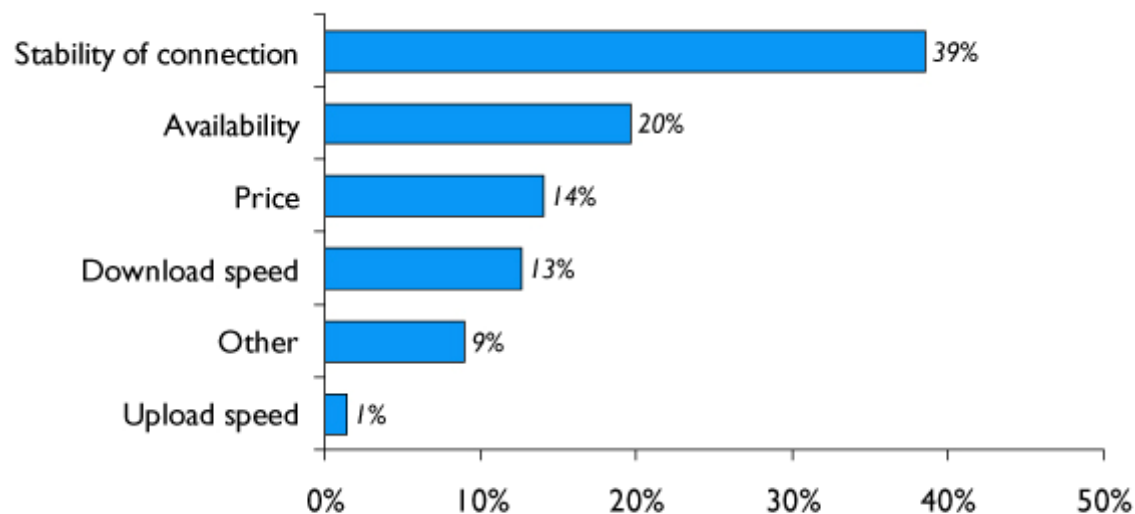
- Grassroots Fiber deployments (called Broadband LAN) account for most of this growth.
- An estimated 30% of internet access in Bulgaria is FTTB

# FTTB provides distinctive broadband service



- Stability is still the main argument of choice for internet connection.

- FTTB users are significantly more satisfied with their internet service than users of other access methods.



# FTTB users think their quality of life is higher.

- On satisfaction with all aspects of life except education, FTTB users rate themselves significantly higher than non-FTTB users.

*Indicate how satisfied you are with each of the following aspects of your life on a scale from 1 to 10, with 1 being extremely dissatisfied and 10 being completely satisfied.*

	<b>FTTB</b>	<b>Non-FTTB</b>
Overall quality of life	6.8	6.0
Education	7.1	7.4
Occupation	7.6	7.1
Living standard	6.5	5.6
Social life	6.7	5.8
Health	7.7	7.2

*Note: Overall quality is a separate rating, not an average of the other ratings.*

# How Internet Changed the Bulgarian's Lives...

**"Google is my right hand and from there you can find all information!"**

**"I met my wife on the ICQ and now we have two wonderful kids!"**

***"I found my job on the internet!"***

***"I talk a lot with my son abroad and this soothes me in order to work better."***

**"I'm on maternity leave. Staying informed about what's going on in the world and in Bulgaria, as well as in my professional area would be very hard if I didn't have internet access."**

***"I don't need to pay the huge transport expenses (1 ticket for public transport costs more than 1 loaf of bread), in order to go in person to municipal, state or any other administration."***



# Main Conclusions

- **Broadband contributes strongly to quality of life, and fiber broadband even more so.**
- **Quality of broadband is significantly higher for FTTB.**
- **FTTB connectivity encourages working from home.**
- **A majority of Bulgarians believe that quality of broadband connectivity influences their choice of residence.**

# Add Slides



# ... but usage maturity is still to come.

- Usage differentials between FTTB users and non-FTTB users are still limited.
- Respondents with FTTB tend to engage more in entertainment activities—playing music or video—and downloading large files. They also use their Internet connections more often to log in to company networks.
- On the other hand, respondents with FTTB use the Internet for video communications and searching for information on public Web sites less often.
- The relatively strong differences suggest that mature (and more differentiated) usages haven't emerged yet.

	Internet Access	
	FTTB	Non-FTTB
<i>Communications</i>		
Telephoning over the Internet (e.g., Skype, Google Talk)	55%	55%
Video communications (via webcam) over the Internet	23%	32%
<i>Occupation</i>		
Remotely log in on a company network	45%	31%
Looking for a job or sending a job application	24%	28%
<i>Education</i>		
Doing an online course (in any subject)	10%	9%
Downloading course material (documents, books, presentations)	67%	62%
Learning from a distance (attending lectures by means of video conferencing)	5%	6%
<i>Entertainment</i>		
Online gambling (e.g., poker, blackjack, sports betting, etc.)	5%	3%
Playing games over the Internet (not gambling)	20%	23%
Listening to music or watching video online (e.g., Web radio, Web TV, YouTube, etc.)	70%	58%
Downloading large files (video, games, software)	68%	61%
Uploading self-created content to a Web site to be shared (text, images, video, music, etc.)	37%	36%
<i>Public Services</i>		
Searching for information on public authority Web sites	33%	43%
Downloading official documents from public authority Web sites	26%	30%
Electronic filling out and submitting of official documents from public authority Web sites	17%	16%
Seeking health-related information (e.g., injury, disease, nutrition, improving health, etc.)	35%	35%

# FTTB internet contributes strongly to welfare...

- On all welfare ratings except health, FTTB users rank themselves higher than non-FTTB users.

