



Press release

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'Urgent: help wanted' KBC and ONS respond with the Happy@Home ecosystem

The amount of time that households spend on domestic chores has fallen sharply in recent decades. Nowadays, they outsource many traditional activities such as cleaning or gardening. Johan Van Gompel, Senior Economist at KBC, has crunched the data to find out what domestic work is still done in Belgian households compared to those elsewhere in Europe. He also studied the market for sourcing domestic work externally. His findings are included in the latest Economic Bulletin.

Households often find it time-consuming and not always straightforward to source external help. KBC and the service provider ONS are keen to assist, which is why they are teaming up today with the software company CUBIGO to launch Happy@Home.

The initiative is based on the philosophy that a network of connected businesses pursuing a shared goal – referred to as an 'ecosystem' – can add a great deal of value. Happy@Home is a solution for people looking for convenience and to optimise their work-life balance, and will also help elderly people to stay in their own homes for longer. Happy@Home will make life easier for households by bringing outside help closer to them.

The complementary nature of the ecosystem means that each of the partners will help achieve this goal based on its own expertise and strengths. ONS is the service provider, and during *Happy@Home's* start-up phase, will offer home help, odd-job work, garden maintenance and assistance with home adaptations for the elderly. CUBIGO will provide the digital platform – an easy-to-use app for clients to view and reserve the offered services. Lastly, KBC is offering a unit-linked investment product that can be used to pay for the services.

Consequently, KBC is the first financial institution to offer – through an ecosystem with ONS – a service that allows clients to use CUBIGO's digital platform to purchase domestic help, garden maintenance and other specific home services.

ONS is breaking new ground, too, by using its existing expertise in the provision of services to the elderly, sick and disabled to develop a similar offering for households looking for enhanced convenience. Clients will be able to find a specific, swift and high-quality solution for their domestic help, care-support and/or enhanced life-work balance needs.

Through Happy@Home, the two partners are actively working on solutions to major challenges in our society, namely the balance between work and home life, quality family time and, going forward, even the ability to go on living in your own home for longer.

Although Happy@Home is launching as a pilot project, the partners – KBC, ONS and CUBIGO – intend to expand the offering in the future to include additional forms of household service, including child-minding, supervision for sick children and personal assistance for the elderly and care patients. Happy@Home is being offered in Flanders in the first instance. KBC is looking for an equivalent partner in Wallonia so that the service can be offered there too in the course of 2017.

'Urgent: help wanted' – The outsourcing of domestic work in Belgium – Johan Van Gompel

The time that families spend on domestic chores has fallen sharply in recent decades, due in part to appliances like washing machines and dishwashers that enable them to work more efficiently. Households have, moreover, handed over many traditional activities to the market. For instance, they buy more ready meals, eat out more frequently, and are also more likely to entrust work like cleaning, ironing or child-minding to third parties. However, it is only the time devoted to housework by women that has decreased, falling by almost 14 hours a week in Belgium since the 1960s. Women today continue to spend more than one and a half times as many hours on domestic work and child-care than men do, compared to a figure of over five times as much in the 1960s.



Bron: Tijdsbudgetonderzoek (FOD Economie)

The tendency towards outsourcing is primarily a reflection of higher female participation rates, increased prosperity and a greater number of leisure opportunities. Outsourcing has increasingly become a deliberate strategy to allow households to combine paid employment with family life. In practice, individual family characteristics (number and age of children, size of home and garden, household income, etc.) determine the degree of outsourcing. **Just over one in four Belgian households nowadays uses some form or other of paid help, rising to one in three in the case of dual-income households.** The most common form of help is house-cleaning, followed by washing and ironing, and odd jobs. Not every form of help is paid for, and strikingly large differences exist in the degree to which households pay for the different types of help. **Payment is made primarily for help with gardening (virtually 100%), for cleaning (80% of cases) and odd jobs (62%).** When it comes to child-minding, cooking, shopping and administration, families are more likely to call on the informal, unpaid assistance of parents, other relatives, friends and so forth.

The range and character of outsourcing have changed substantially over the years. Whereas in the past families mostly employed someone themselves, they have turned increasingly in recent years to outside bodies, partly in response to government initiatives. Within Europe as a whole, direct employment by families remains the dominant model only in the south. In other countries – including Belgium – this approach has become more or less negligible, with households using intermediary organisations to find people to do the work. The service-voucher system in Belgium has been the main factor behind the increased outsourcing of domestic help. The sector has experienced consolidation in recent years, with the result that domestic services are increasingly

dominated by large enterprises. The commercialisation and professionalisation of the offering is likely to gain steadily in importance in the years to come. This partially reflects the significant challenges that lie ahead, such as demographic ageing and the need to further raise the population's employment rate.

Solution for the client: Happy@Home

Time is precious. The pursuit of solutions for the social challenges referred to above brought KBC into contact with ONS – a network of organisations and associations with over 8 000 employees. Together, the partners developed the idea of a service that would save clients from performing certain everyday tasks or having to source outside help themselves. Clients would gain quality time and would even be able to go on living in their own homes for longer (possibly following certain adaptations).

Thought was also given to a straightforward way of requesting odd jobs. The software company CUBIGO developed an extremely user-friendly tool for Happy@Home clients.

Why an ecosystem?

The initiative is based on the philosophy that a network of connected businesses pursuing a shared goal – referred to as an 'ecosystem' – can add a great deal of value. *Happy@Home* represents the shared goal of the partners behind the initiative to make life easier for households by bringing outside help closer to them.

The complementary nature of the ecosystem means that each of the partners will help achieve this goal based on its own expertise and strengths. ONS is the service provider, and during *Happy@Home's* start-up phase, will offer home help, odd-job work, garden maintenance and assistance with home adaptations to enable elderly people to go on living in their own homes for longer. CUBIGO will provide the digital platform – an easy-to-use app through which the services are offered and can be reserved. Lastly, KBC is offering a unit-linked investment product that can be used to pay for the services.

Daniel Falque, CEO of KBC's Belgium Business Unit: 'As a local bank-insurer, KBC has to take account of tomorrow's challenges, such as an ageing population, making the best-quality use of a family's time, and the need to increase the independence of elderly people. We take our role in society very seriously, and that includes utilising new ways of working – ecosystems in this instance – to find solutions that meet the needs and demands of citizens, many of whom are also our clients. This pilot project dovetails perfectly with our Sustainable KBC policy too.'

Hans Verstraete, CEO of KBC Insurance: 'Happy@Home is an ecosystem developed by KBC Bank and KBC Insurance, in collaboration with ONS – a network of organisations and associations that offer a wide range of services to promote and support clients' welfare. It's the first real ecosystem in which each partner retains its own share of the costs and income. It means that KBC is making use of new emerging forms of collaboration.'

Marleen Vanhees, ONS: 'We have a lot of experience with the outsourcing of domestic tasks and can draw on a network of organisations and associations that employ more than 8 000 people. For the domestic help element of Happy@Home, for instance, we can call on PUUUR – our service-voucher business with over 3 000 home-helps. As for other tasks, such as gardening and odd jobs in the home, we have already gained expertise through the 'National Home Care' service, which we will use as the basis for setting up the new 'Our Home Convenience' service. This will work in a similar way, but for people who don't require special care. In other words, it's a great fit.'

Happy@Home is a solution for people looking for convenience and to optimise their work-life balance, and will also help elderly people to stay in their own homes for longer by adapting the property in good time to meet their future needs. The client can leave the administrative hassle and phoning around to ONS. ONS undertakes to contact the client within two working days and to deliver the requested service within 30 calendar days (only for the pilot branches during the initial phase).

After the launch of the service

Happy@Home is launching as a pilot project in 30 municipalities, with KBC and ONS planning to offer Happy@Home throughout Flanders by mid-2017. CBC is looking for an equivalent partner in Wallonia so that Happy@Home can be rolled out there too in the course of 2017.

Practical details

- A Happy@Home contract can be requested at a KBC branch.
- The KBC relationship manager registers the investment that will pay for the supplied services (currently a unit-linked KBC Life Solutions product – details in the annex).
- The client determines how much to invest in the product based on a simulation of the services he or she might want to take.
- Having concluded the contract, the client has a single point of contact: **the ONS Convenience Coach**, who acts as intermediary between the client and the home-service providers.
- The client can contact the convenience coach via an app.
- The client can use KBC Touch to pay the bills for the work provided.
- The underlying product is KBC Life Solutions
 - KBC Life Solutions is an insurance product that offers various investment options. At present, clients can choose from open-ended unit-linked investment funds, each with its own investment strategy and potential return.
 - KBC Life Solutions gives them the opportunity to build their capital at their own pace. Clients can make a deposit whenever they wish and are free to choose between lump-sum and regular payments.
 - The KBC Life Solutions reserve can be used to pay for services provided by external partners.
 - KBC Life Solutions does not offer a guaranteed return or capital protection.
 - Each deposit is subject to a 2.5% entry charge (after deduction of the 2% insurance tax) and a management fee of between 0.20% and 0.85% will be charged, depending on the selected investment option.

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