

Thursday, 30 March 2017

NBN draws new homes to ISPs—and prompts switching

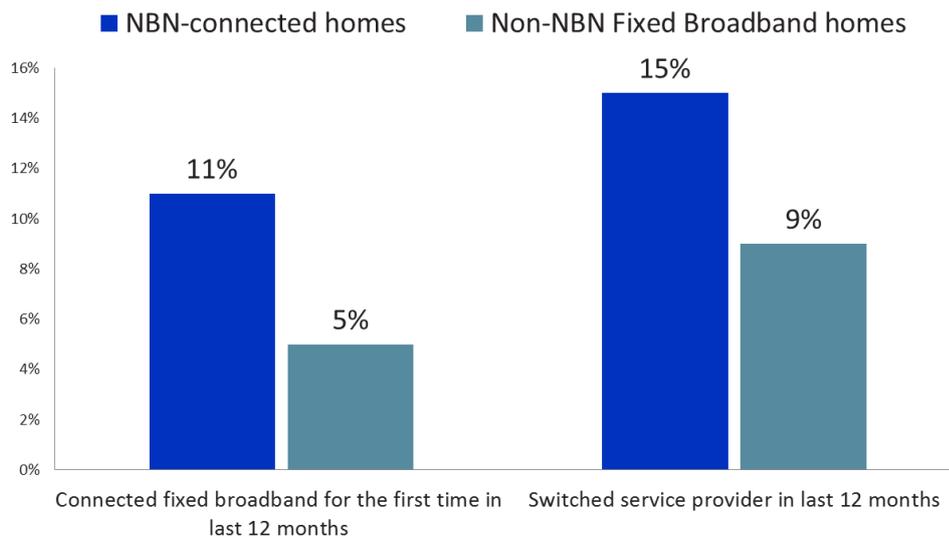
The NBN is convincing more Australians to get fixed home broadband for the first time, Roy Morgan Research shows—and is triggering many others to switch internet provider.

By the end of 2016, over 1.2 million Australian homes were connected to the National Broadband Network (NBN). Eleven percent of these residential NBN customers didn't have *any* fixed internet a year ago. Among non-NBN fixed broadband homes, only five percent connected for the first time in the last 12 months.

The rate of switching is also much higher among NBN homes: 15 percent switched provider in the last 12 months, compared with nine percent of non-NBN homes.

Combined, a total of 26 percent of all NBN customers were up for grabs for internet service providers in 2016, either through switching or joining the market—almost double the rate in non-NBN homes.

Joining and Switching in NBN and non-NBN Fixed Broadband Homes



Source: Roy Morgan Single Source (Australia), July to December 2016, sample n = 6,994 Australians 14+

Michele Levine, CEO – Roy Morgan Research, says:

“The NBN is a major opportunity for internet service providers. It is expanding the market and spurring existing fixed broadband customers to reconsider their provider.

“Only a small number of NBN homes would already be switching between NBN providers. The vast majority of switchers are likely to have used their new NBN connection as a catalyst for choosing a new provider. However with many new retail providers able to operate in the NBN market alongside established ISPs, it will be interesting to see if the increased competition will mean higher switching rates long-term.

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“Roy Morgan’s geo-segmentation tool [Helix Personas](#) is ideally suited to monitor and forecast the take-up of the NBN, as well as deliver a more robust view of which providers are performing above and below expectations based on where it’s rolled out already—and will roll out over the coming months and years.”

To learn more about Roy Morgan’s telecommunications research and Helix Personas, call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com

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About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices throughout Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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