

The Broadband Experience Scorecards projects implemented a wide ranging and comprehensive program of research and analysis to develop deep insight into current fixed line broadband use by consumers in 30 countries. The survey specifically examined what applications consumers actually use, and crucially, what they thought of their broadband experience using those applications.

Coupling the consumer survey data with desk research and leverage of international data sets on broadband penetration, growth and speeds, a set of regional scorecards was generated showing regional country performance. The research was also able to highlight how consumers use their broadband. Analysis of these regional scorecards and the consumer survey data reveals a number of important high level messages.

Key Message 1. Sweden is the global leader for consumer fixed line broadband experience. Globally, Sweden is the leader in terms of consumer fixed line broadband experience with a score of 88%, followed by Romania (81%) and Singapore (77%). Europe leads the four regions with an average score of 74%. To achieve top scores, countries must score well on current connectivity, broadband growth, but also on customer experience of using their broadband across a range of applications.

Key Message 2. 10Mbps is the new minimum for quality broadband services. Operators need to invest in the network to achieve this “minimum” threshold to deliver acceptable customer experience for general internet applications and Internet/SD video. Required network speed is further increasing to 50 Mbps and above because users will migrate to using HD video content such as 4k/8k video which will be even more demanding on the network. Analysis of consumer satisfaction with video applications shows that of those on a connection below 10Mbps, over 50% report a poor experience. With video becoming ever more widely used (whether short news clips or You-Tube video or longer TV and film content) the quality of video experience is becoming central to the overall consumer broadband experience.

Key Message 3. There are gaps in current customer experience. Customers churn because of lower QoE:

- **30% of customers churned in the last 12 months due to the desire for faster speed and better customer service,** whether in developed and developing markets.
- **More than 40% of customers will consider churn in the next 12 months for higher speed and better QoE in application experience.**

Operators need to invest in both the network and customer service provision to keep customers.

Network speed and the quality of customer service are the biggest drivers of churn. While price is always important, it is not usually a churn trigger (though it will play a role in the choice of a new provider). As customers become more sophisticated in their application usage they also become more valuable to operators.

Key Message 4. Zero response (waiting) time is the customer’s desirable experience. More than half of consumers are dissatisfied if the network response time is longer than 3 seconds – whatever the application. This response time (i.e. web page loading, or video/game starting, etc.) is a ‘tipping point’, such that if the network can respond in 3 seconds or less, then the majority of consumers will be satisfied. The survey result supports the recent discussions on “2 or 3 seconds network performance”.

Achieving a consistent response time will become increasingly demanding on operators as consumers use ever more sophisticated applications. Further, there may be factors affecting response time (eg those managed by content providers) that may be harder for the operator to control.

Key Message 5. Customers in mature markets rate their network performance 10% worse than it actually is, even where the network performance is actually very good. It is an effect of “speed commoditization” in mature markets where speed is up to expectation. Customer expectation exceeds the network performance. Operators need to invest in other important service areas.

Comparison between hard network data and consumer views on network performance show that even in advanced markets where consumers place extremely high demands on their network they still have even higher expectations of their broadband performance. Operators cannot relax and assume that very high actual network performance is sufficient – they must continue to invest in their network performance or risk customer churn.

Key Message 6. Customers in mature markets demand for comprehensive service experience. 33% of customers claim that their broadband service didn’t meet their expectations based on the service they signed up for.

This suggests that networks are still struggling to meet a significant proportion of their customers’ basic requirements, and service providers continue to not market their services properly. These customers will become easy targets for churn to competitors.

Key Message 7. Video becomes a favourable basic service. Nearly 80% and 50% of customers watch short and long videos frequently among the common applications. Video has become the most important applications after email, web browsing, and social networking. Customer surveys show that the video usage will grow 36% in the next 12 months with an even higher growth rate of 47% for the young age group (16-24). It will bring immense challenges to network throughputs, quality and video experience. Operators need to invest in both the network and the video service to prepare for this change of applications.

Key Message 8: Video experience is not performing well in most (80%) of the surveyed countries. Video QoE is multi-faceted and driven by speed/bandwidth (minimum 10Mbps for Internet/SD video, 50+Mbps for UHD/HD videos), waiting time (zero to 3 secs), buffering (never to rare) and picture quality (excellent rating), content and ease of use:

- The customer survey results show that 43% (13 out of 30) and 40% (12 out of 30) of countries have their picture and buffering quality scores in the lower two quartiles for video performance.
- Only 20% (6 out of 30) of countries have their buffering or picture quality score in the top quartile. The results are even more profound when focused on the younger heavy users.

In order for operators to first differentiate, and then later simply meet users’ everyday expectations, HD, followed by ultra-HD, will gradually become the standard viewing experience. Operators need to take prioritised actions in the investment in delivery of video experience.

Key Message 9: Customers use average of four (4) devices in the household in mature markets. More connected devices per household require more bandwidth or data access. Operators need to review investment in high throughput networks, network edge intelligence, smart home services and customer analytics.

Key Message 10. The Best Network Experience is based on three core elements:

Network Performance: A stable and reliable network, waiting time (zero to maximum 3 secs), buffering (never to rare) and picture quality (excellent rating)

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Network Speed: Minimum 10Mbps for Internet applications and SD video, 50Mbps+ for UHD/HD video

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Excellent Customer Service: Issue resolution at first contact, responsive service provisioning, activation and restoration