

26 May 2016

Dollars and data going to waste for thousands of Australian households

Almost a third of Australians on unlimited plans but 94 per cent use less than 500 GB

Research by broadband experts iSelect revealed many Australians may be overestimating their home broadband needs with **almost a third of Australian households (2.5 million homes)** signed up to unlimited data plans despite **only six per cent of homes** reporting that they had used 500 GB per month or more in the previous month.

A national Galaxy Research study commissioned by iSelect in April 2016¹ found that **approximately 50 per cent of Australian households** used less than 200 GB of data in the previous month with **69 per cent** rarely or never exceeding their data allowance.

This data suggests that the majority of Australians could be overpaying for broadband by not matching their plans with their actual usage.

Laura Crowden, iSelect Spokesperson, said "It's important to take stock of how much data you are using at home and it is worrying that **30 per cent of households didn't know how much data they'd used last month.**"

"Providers are advertising their 'unlimited' plans really heavily and it's easy to assume that a limitless plan would be better value but in reality, very few homes actually need that much data."

Laura said 'naked' broadband or 'naked DSL' was also confusing a lot of customers, with advertising claiming the benefit is it 'eliminates traditional line rental'.

"Naked DSL can be more expensive, take longer to connect and is exactly the same speed and service you would receive as part of traditional phone line and broadband bundle meaning it may be cheaper to opt for phone line rental but simply not use it."

The survey revealed that 14 per cent or around **1 million Australian households** are already connected to the National Broadband Network (NBN).

"Connecting to the NBN means customers are faced with even more decisions in terms of speed, price, availability and so on. As more and more homes connect to the NBN, it's important customers understand their options when choosing a compatible plan," Laura said.

This survey found that on average, Australians have 343GB of data included in their plan each month, but reported **using less than half of their available data** (170GB in the previous month). This is despite many

¹ In April 2016, iSelect commissioned a nationally representative consumer research study with Galaxy Research Australia to assess the behaviors of over 1,000 Australian households towards broadband

broadband providers offering customers live online usage monitors and detailed bills outlining the data consumed.

"Clearly there is a lot of confusion and indifference about broadband data amongst Australian households, with many locked into and paying for high data plans they simply don't need."

This confusion is evident with **30 per cent of households reporting not knowing what happens if they go over their monthly data allowance.**"

"Watching movies or TV shows on Netflix (or similar services) uses about 1 GB of data per hour. Even at 3 hours per day that's only 90 GB per month on entertainment... which leaves lots of wiggle room on a 200 GB per month plan," said Laura.

Laura also suggested avid entertainment consumers look for quota-free offers where streaming services like Telstra TV, Netflix, Stan and Presto are included in your plan and don't come out of your data limit. This may enable you to go on a lower data plan than if you had to take your TV streaming into account.

"When choosing an internet provider or reviewing your current plan, it's important to consider your individual needs and seek independent advice from an expert who can compare all the offers available."

"Plans and offers change almost by the week so what was a good deal three months ago might not be a great deal today. As such it pays to review your plan and provider regularly," said Laura.

iSelect's top 5 tips for finding the best broadband deal
1. Think about your usage – Do you just want to browse the web & send email? Or are you regularly streaming movies via Netflix, downloading music or online gaming? How many users will be sharing the data? The way you use the internet will impact on how much data you need and how much it will cost.
2. Don't get sucked into unlimited plans – A lot of people are lured in by 'unlimited' data plans when in reality many homes don't need anywhere near as much data as they think. Even with gaming, downloads or home business use, most heavy users will only need around 200-250GB.
3. Plans depend on where you live – There are plenty of different plans on the market – cable, ADSL, wireless and NBN – but what is available to you will depend on where you live.
4. Think about phone calls – Although landline phone use is declining, there are great-value bundle offers that combine broadband and phone calls but it's important to think about what kind of phone calls you make. If you mainly call mobiles, make sure unlimited mobile calls are included as they can quickly add up or if you have friends and family overseas look for a plan that offers cheap international rates.
5. Speak to an expert – Choosing an internet provider can be really confusing with so many plans and providers on offer. Speak to a broadband expert to who can help you understand and gauge your household's internet requirements and find the best plan to meet your needs and budget.

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