



Press information

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BRITS SHOW NO LOYALTY TO UK'S BROADBAND PROVIDERS

LONDON, 11th May – A new study announced by market-information providers TNS reveals that the plethora of cheap, cheerful and slow broadband packages on offer by UK providers is undermining customer loyalty. As demand grows for connection speeds of 8Mbps or more grows, Brits are becoming dissatisfied with the slower offers being punted by many of the country's broadband providers.

New research from TNS Technology reveals that broadband packages that are offering close to Lord Carter's recommended minimum speed of 2Mbps will have limited longevity, as consumers of such cheap and cheerful packages will happily change provider for a better connection or deal elsewhere. TNS has detected a link between higher broadband speeds and higher levels of customer loyalty, with the research showing that 8Mbps is a stepping point at which consumers begin to show stronger loyalty to their broadband provider.

The TNS study reveals 42% of broadband users overall think that the internet speed they actually receive is lower than advertised – which given the relationship between slow broadband and low loyalty is clearly an issue to be addressed by providers. Moreover, the study also demonstrates that broadband customers with plans at the slower, cheaper end of the market are more likely to think that they are being short-changed (whereas consumers opting for faster packages are more likely to believe that they are getting full bandwidth).

Oliver Reid, Managing Consultant at TNS Technology, commented: "Broadband providers who offer cheap, 'recession-friendly' packages will find themselves on the wrong side of the divide once the downturn is over. In the long term, consumers won't hesitate to turn their backs on those that offer slow connections even if prices are low. Instead of Lord Carter's recommended minimum of 2Mbps – our recommendation is that the industry, for its own sake, set a minimum of 8Mbps."

Reid continued: "Having said this, in a global context even 8Mbps is far from earth-shattering. With Japanese and South Korea leading the way and offering their population speeds of 100Mbps, the UK continues to lag very far behind world leaders in bringing next-generation broadband to the masses."

About TNS

TNS, who recently merged with Research International, is the world's largest custom research agency delivering actionable insights and research-based business advice to its clients so they can make more effective business decisions. TNS offers comprehensive industry knowledge within the Consumer, Technology, Finance, Automotive and Political & Social sectors, supported by a unique product offering that stretches across the entire range of marketing and business issues, specializing in product development & innovation, brand & communication, stakeholder management, retail & shopper, and qualitative research.

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