



For immediate release: 28<sup>th</sup> July, 2011

## **ONLINE DEFICIT: CONSUMERS SPEND £2.7 BILLION OVER THE ODDS FOR BROADBAND**

- **Consumers pay an average of £140 a year too much for their broadband package<sup>[1]</sup>**
- **12 million consumers have not changed their broadband provider for at least 12 months<sup>[2]</sup>**
- **5 million customers have never changed their broadband provider<sup>[3]</sup>.**

Apathy is costing British broadband customers billions of pounds, according to independent price comparison and switching service, [uSwitch.com](http://uSwitch.com). With deals now as cheap as £2.99 a month<sup>[4]</sup>, the average household is losing out on almost £140 per year by not shopping around for their broadband. As a result, UK consumers are spending an extra £227 million a month or £2.7 billion a year more than they have to in order to be connected<sup>[1]</sup>.

According to a uSwitch.com survey of 7,800 broadband customers, the phenomenal levels of overpayment are the result of six out of 10 (59%) bill payers not changing their provider for at least 12 months<sup>[2]</sup>. An additional one in four (25%) have never changed their provider since signing up to their original deal<sup>[3]</sup>.

But it isn't just cost savings that millions of consumers are missing out on – it's also the quality of service. Despite speed being the second most important aspect for those choosing a broadband package - ahead of both price and customer service<sup>[5]</sup>.

Currently there are six providers offering broadband deals for £10 or less per month, which would go some way to combat the rising cost of broadband, as the survey shows that the average annual broadband bill has climbed 5% this year, standing at £176 - up from £167 in 2010<sup>[6]</sup>.

**Ernest Doku, technology expert at [uSwitch.com](http://uSwitch.com), comments:** "The broadband market has become extremely competitive, and we have seen a huge increase in low-cost packages -

particularly those below £10 per month. People have access to hundreds of great broadband deals but it still takes some research to find the right one.

"If you are coming to the end of your contract, now is the time to take a look at your broadband. Consumers need to note of how much they are actually spending each month spending and look closely at the incredibly competitive deals currently on the market. Consumers should also pay close attention to their broadband usage levels by checking their bills, then ensuring that they get a speed and download limit that suits their household's needs."

**For more information visit [www.uswitch.com](http://www.uswitch.com) or call 0800 093 0607**

**-Ends-**

**For further information please contact:**

Katherine Cooper, uSwitch.com on 020 7802 2961 or [katherinecooper@uswitch.com](mailto:katherinecooper@uswitch.com)  
Anna Schirmer, Lansons Communications on 0207 294 3605 or [annas@lansons.com](mailto:annas@lansons.com)  
John Diviney, Lansons Communications on 0207 294 3696 or [johnd@lansons.com](mailto:johnd@lansons.com)

**Notes to editors:**

Total sample size in the YouGov survey was 7,759 adults. Fieldwork was undertaken 16th – 21st February 2011 with analysis conducted in March. The survey was carried out online. Comparisons to 2007 refer to same survey conducted September 2007. 'Consumers' refer to those with broadband decision making involvement.

1. On average consumers are paying £14.64 per month for the broadband connection, which is £11.65 per month (£139.80 per year) more expensive than the Primus' current £2.99 per month deal. According to Ofcom's Communications Market Report for Q4 2010 there are now 19.5 million residential broadband connections. Assuming this savings figure applies to the entire broadband population, in total £227,175,000 could be saved a month or £2.7 billion a year.
2. 12% of broadband household decision makers said they last switched their provider 13 to 24 months ago. An additional 47% of broadband household decision makers said they last changed their provider more than 24 months ago. Assuming this figure applies to the entire broadband population, in total 11,505,000 broadband connections haven't not changed provider in 12 months or more.
3. One in four (25%) stated they have never changed their broadband provider. Assuming this figure applies to the entire broadband population, in total 4,875,000 broadband connections have never changed provider.
4. Based on Primus £2.99 a month deal on an 18 month contract. Additional costs are a £4.95 charge to post the router and customers have to take line rental from Primus at £12.75/month. Customers will pay extra for paper billing and if they don't pay by direct debit.
5. When asked which aspects of service were most important, 61% said reliability of connection, 57% said speed, 54% said value for money and 11% said customer support.
6. Consumers now pay 14.64 a month for their broadband, compared to £13.95 in 2010. This is £176 a year compared to £167 a year and is a rise of 5%.

**About us**

uSwitch.com is a free, impartial, online and telephone-based comparison and switching service, helping consumers compare prices on gas, electricity, water, heating cover, home telephone, broadband, digital television, mobile phones and personal finance products including mortgages, credit cards, current accounts and insurance. In 2010 uSwitch.com celebrated ten years of saving customers money.

uSwitch.com is the first comparison website to achieve the Plain English Campaign's Internet Crystal Mark, which is recognised as a standard that a website has clear language, is accessible and easy to use, and has been tested on a sample of its users.

uSwitch.com is dedicated to helping consumers save money whether they have internet access or not. It offers a dedicated call centre, manned by uSwitch customer service representatives, as well as a freepost 'Send us your bill' service, whereby customers can post their latest energy bills with their telephone number to FREEPOST USWITCH,

to get a free call back from a dedicated customer services representative. The service is also available via fax, email and post. Consumers should fax 0203 214 8417, email [CustomerServices@uswitch.com](mailto:CustomerServices@uswitch.com) or write to Customer Services, uSwitch.com, Centro 3, 19 Mandela Street, London, NW1 0DU with their postcode and usage details.

uSwitch.com is owned by Forward Internet Group Limited, a privately funded collection of internet-based businesses focused on consumer engagement and innovation.