



AUSTRALIAN COMPETITION
& CONSUMER COMMISSION

Internet activity report

For the period ending 31 December 2020

June 2021

Australian Competition and Consumer Commission
23 Marcus Clarke Street, Canberra, Australian Capital Territory, 2601
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Introduction

The ACCC's Internet Activity Report reports bi-annually on the number of services in operation (SIOs) and the volume of data downloaded across NBN, non-NBN broadband internet and mobile services.

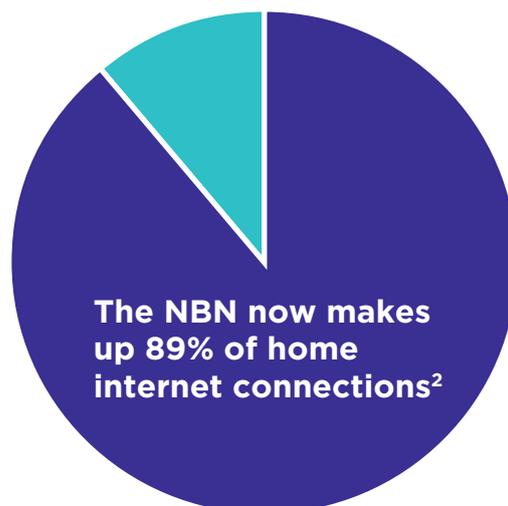
Previously, internet activity information was collected by the Australian Bureau of Statistics (ABS) under the [Internet Activity Survey \(IAS\)](#).

The 13 retail service providers (RSPs) currently reporting under this RKR are Aussie Broadband, Australian Private Networks, Dodo, Harbour ISP, iiNet, IP Star Australia, MyRepublic, Primus, Singtel Optus, SkyMesh, Telstra, TPG Corporation and TPG Telecom.

Key statistics – as at December 2020

- NBN services make up 89% of total residential broadband internet SIOs reported under this RKR and account for 90% of the total volume of data downloaded.
- The total number of NBN services reported increased by 1.56 million (27%) over the last year, coinciding with the conclusion of the NBN rollout.
- Total volume of residential broadband downloads increased by 16% compared to the June 2020 period, a 36% increase from the December 2019 period.
- 71% of NBN SIOs are acquired on wholesale download speeds of 50 Mbps or above.
- The total volume of data downloaded over mobile networks increased by 23% over the last year (since December 2019).
- NBN services on wholesale speed tiers of 100 Mbps and above average 555 GB per month of downloads (up from 510 GB in 2019) while the 12 Mbps tier averages 165 GB per month (up from 155 GB).
- NBN services in the 100 Mbps or greater tier have grown significantly during the last period, by around 46%.
- Non-NBN fixed services download on average 308 GB per month (up from 226 GB in December 2019).

Total downloads are up 60% in the last 2 years¹



¹ Displayed in million Terrabytes.

² The services reported under this report.

Background

The Internet activity report data is collected directly from the RSPs, not NBN Co. The following should be taken into account when reviewing the range of publicly available information sources of NBN information and the Internet activity report:

- The Internet activity report collects retail SIO information from 13 retail service provider groups only.
- The Internet activity report also collects retail SIOs from non-NBN networks and mobile services.
- In contrast, the NBN Market Indicators Report reports NBN wholesale SIOs directly acquired by RSPs from NBN Co. This includes information from RSPs not subject to reporting under this Internet Activity RKR.
- An RSP may purchase NBN services from another RSP which could mean that the purchaser's retail SIO may exceed its number of wholesale SIOs.
- Conversely, an RSP can resell NBN services to another RSP, which may mean the reseller's wholesale SIO information exceeds its number of retail SIOs.
- In relation to the listing of speed tiers, an RSP may acquire a wholesale NBN service at a specific NBN speed tier but it may, through shaping or 'throttling' customer speeds on its network, market and sell this service to retail end users at a lower headline speed limit.
- As such, there may be a significant divergence between the number of wholesale services acquired and the number of retail services reported under this RKR.

Developments in broadband markets

Download Data

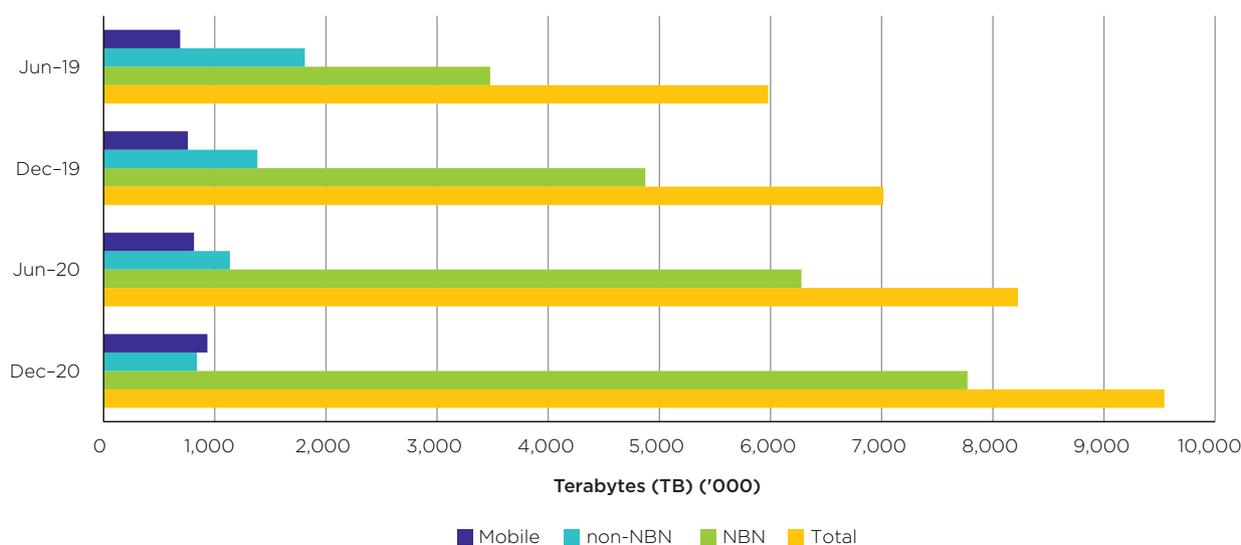
Data download volumes over the NBN and mobile services continue to increase

The COVID-19 pandemic continued to influence data download volumes as many consumers continued to work from home during the second half of 2020.

There were 8.6 million Terabytes (TB) of data downloaded across retail broadband internet services³ in the three months ending 31 December 2020, with 90% downloaded via NBN services. The total volume of data downloaded over the NBN increased from 4.9 million TB to 7.7 million TB between December 2019 and December 2020 (an increase of 59%).

The total volume of data downloaded over non-NBN services continued to fall as services migrated over to the NBN network. The total volume of data over non-NBN networks declined from 1.4 million TB to 0.8 million TB between December 2019 and December 2020 (a decrease of 40%). Downloads over mobile services increased by 23% compared to December 2019.

Figure 1: Total volume of data downloaded for retail NBN, retail non-NBN fixed and mobile services



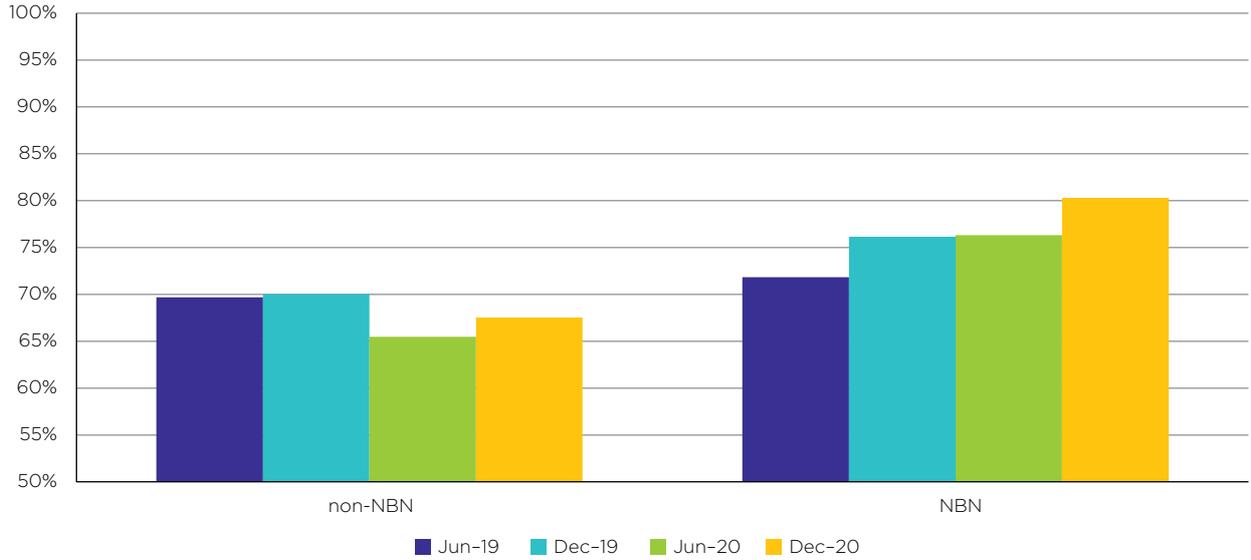
NBN services with no data limits also increase

The proportion of retail NBN services with no data limit continues to increase. In the period from December 2019 to December 2020 the proportion of retail NBN plans provided with no data limit has increased from 76% in the December 2019 reporting period to 80% in the December 2020 reporting period.

For non-NBN fixed services, the proportion of retail non-NBN services with no data limit increased by 3% compared to the June 2020 report. However, in the period from December 2019 to December 2020 the proportion of retail non-NBN plans provided with no data limit decreased by 2% to 68%.

³ The ACCC is unable to publish data relating to Mobile downloads for December 2020 due to confidentiality concerns raised by a stakeholder.

Figure 2: Proportion of retail NBN and retail non-NBN fixed services with no data limit

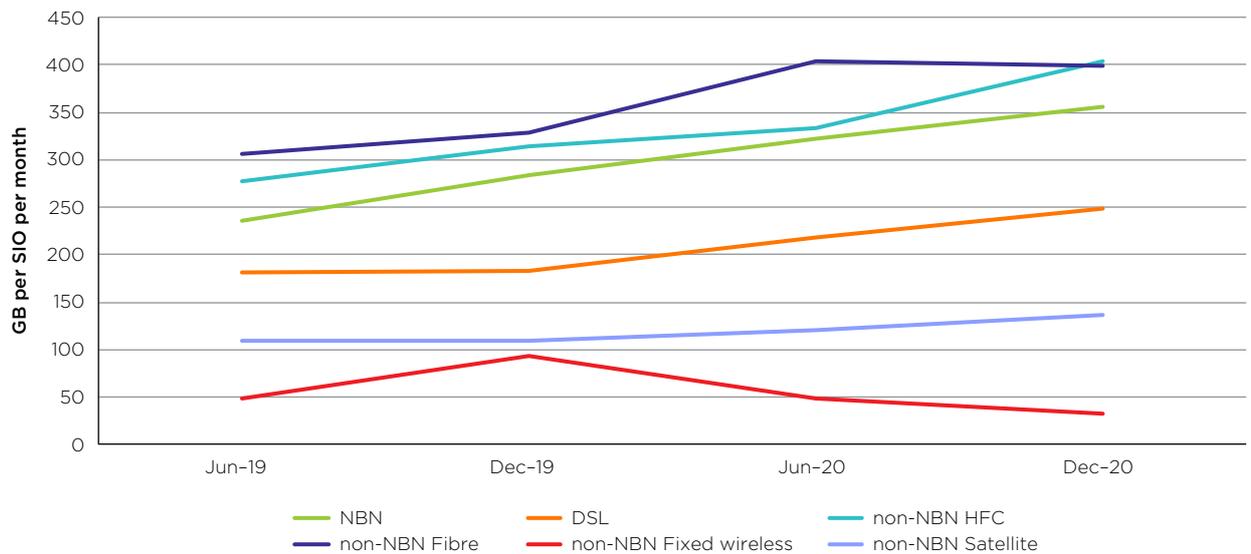


Average amount of data downloaded on high speed NBN services continues to climb

On average, NBN consumers downloaded 355 Gigabytes (GB) per user per month, with services on the 100 Mbps or above downloading the most, at 555 GB per month. This is in contrast to those on the lowest 12 Mbps speed tier who downloaded just 165 GB per month.

Non-NBN consumers downloaded on average 302 GB per user per month. This included users on HFC and fibre services downloading around 400 GB per month, DSL services downloading 249 GB per month, users on satellite downloading 136 GB per month, and finally, fixed wireless users at 33 GB per month.

Figure 3: NBN and non-NBN retail broadband internet - downloads per SIO per month by technology type



Broadband services in operation

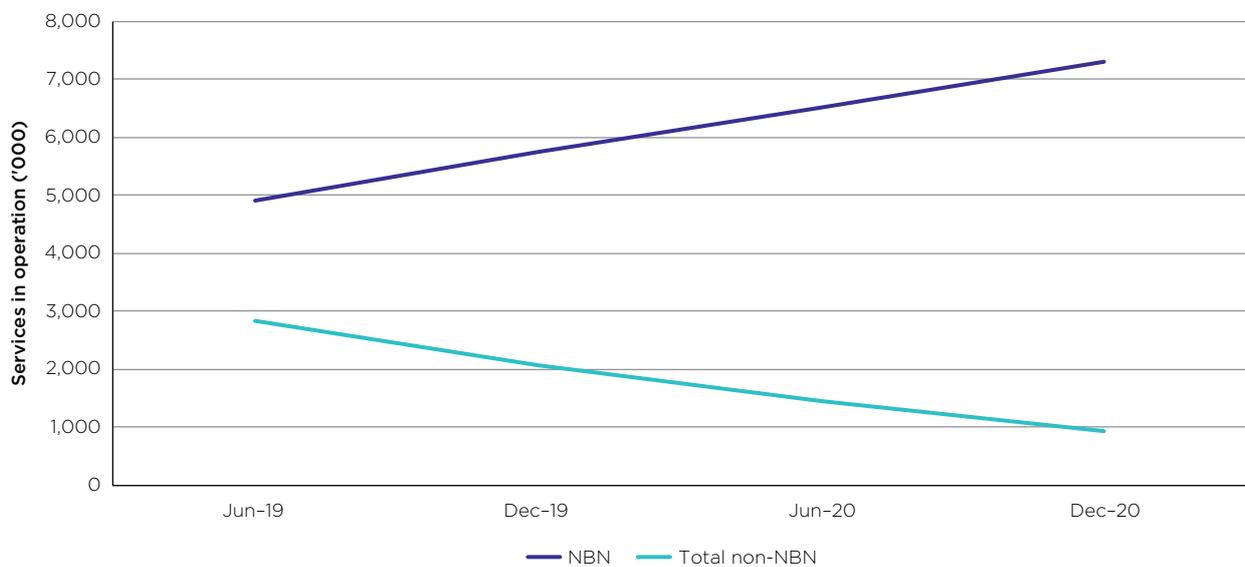
NBN retail broadband internet services in operation increase

As at 31 December 2020, there were 8.2 million retail broadband internet services, up from 7.9 million in the June 2020 quarter. Of these, 7.3 million were NBN services (89% of the total), an increase of approximately 791,000 services since June 2020.

Non-NBN fixed services continued to decline, and fell by around 35% since the June 2020 report to approximately 927,000. Of the non-NBN services in the market, 60% were DSL, followed by fibre (19%), HFC (18%) and satellite and fixed wireless (3%).

This downward trend in non-NBN services will continue as consumers migrate off legacy networks and onto the NBN and other alternative networks.

Figure 4: NBN and non-NBN retail broadband internet – total services in operation



NBN 50Mbps speed tier remain most popular

As at 31 December 2020, around 60% of reported NBN retail services were acquired on 50 Mbps speed plans, followed by 25 Mbps (19%), 12 Mbps (11%) and 100 Mbps or greater plans (11%).

NBN services in the 100 Mbps or greater tier have grown significantly during the last period, increasing from 539,000 to 785,000, or by around 46%. This is likely due to NBN Co's promotional campaigns which have focused on the higher speed tiers.

However, a significant number of retail NBN services are still acquired on 25 Mbps speed plans. These increased by 21% since the last reporting period. The number of 12 Mbps plans declined by 5% over the same period.

Figure 5: NBN retail broadband internet by wholesale speed tier – total services in operation

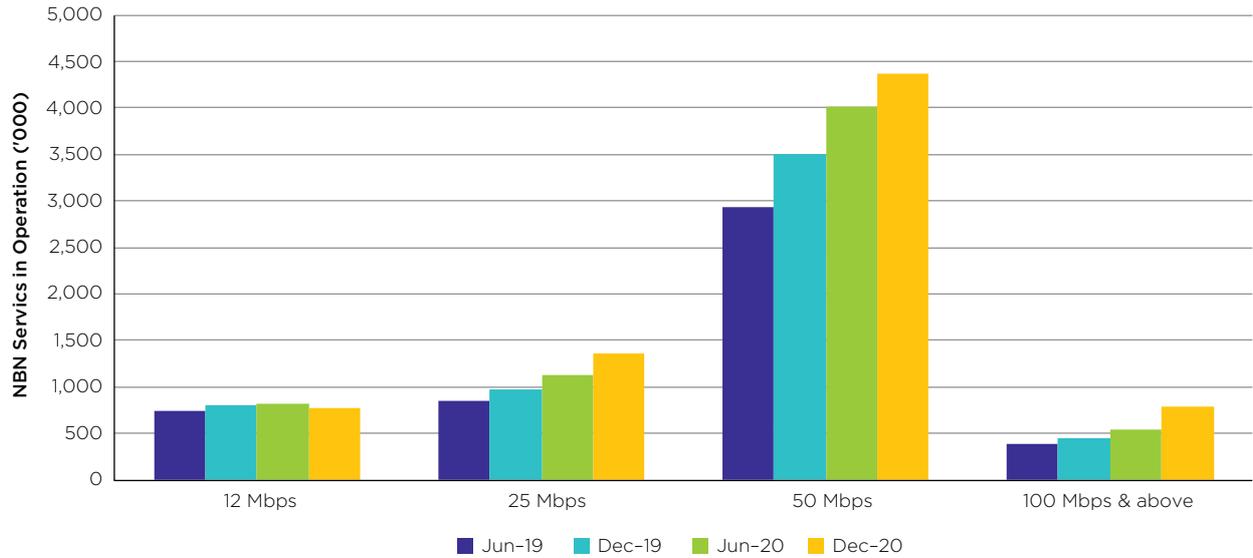
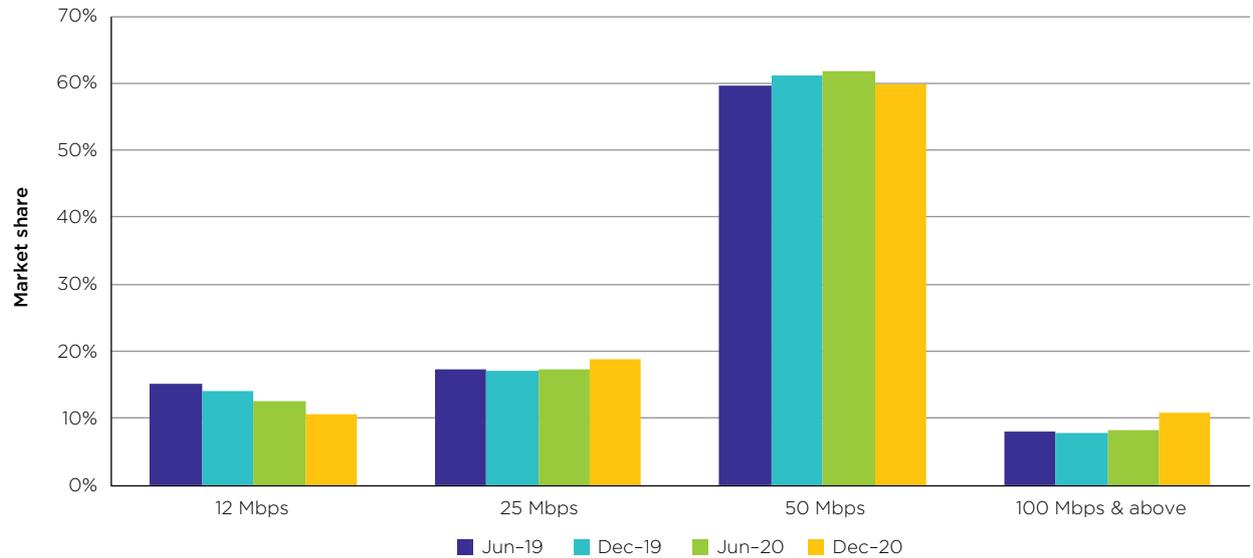


Figure 6: NBN retail broadband internet by wholesale speed tier – market share



Mobile services

Retail mobile phone services in operation decline but mobile broadband downloads increase

As at 31 December 2020, there were approximately 27 million mobile handset services with nearly two-thirds of consumers on post-paid plans and just over one-third using prepaid plans. In addition, there were around 4.6 million mobile broadband services.

The number of mobile services in operation has remained steady over the last two years. However, the December 2020 period was the first time all three mobile service types experienced a small decline in the number of services in operation with prepaid, post-paid and mobile broadband services declining by approximately 403,000 (4%), 40,000 (0.2%) and 136,000 (2%) respectively.

This decline may be partially attributed to the impact of COVID-19 on several areas including the decline in temporary visitors (such as international students and tourists), lower immigration and declining demand for a second phone (for example, for a separate work phone).

However, the average monthly volume of data downloaded on mobile devices has increased steadily over the last two years despite the decline in the total number of mobile services reported under this RKR. The average monthly volume of data downloaded on mobile services has increased by just over 175,000TB (or 23%) in the year since the December 2019 reporting period.

Figure 7: Mobile services- change in the number of services in operation

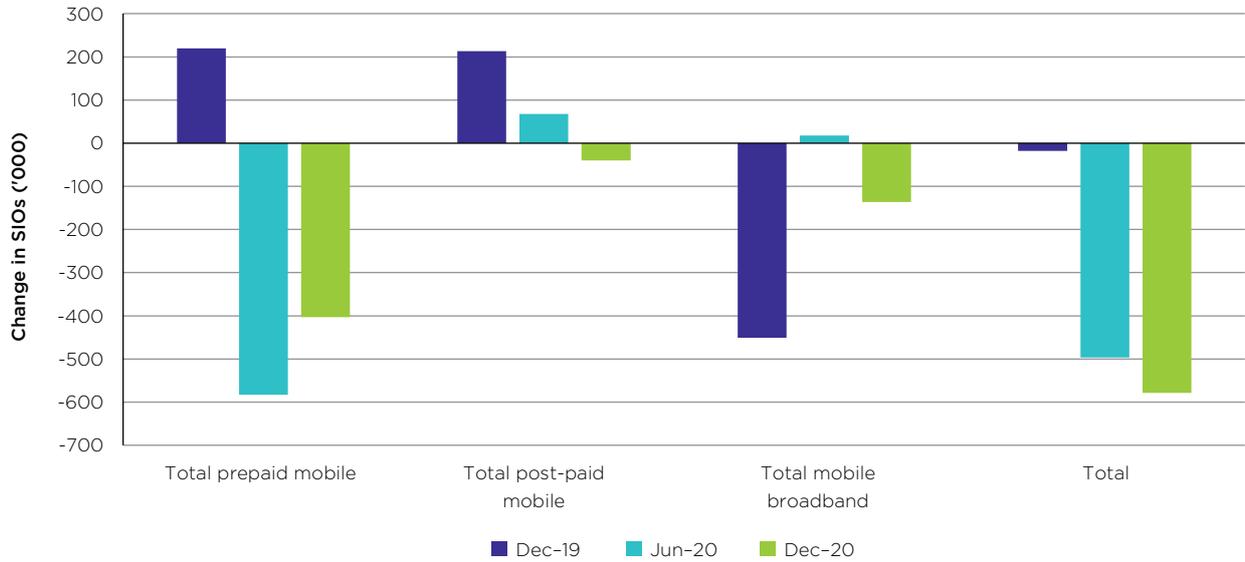


Figure 8: Mobile prepaid, post-paid and mobile broadband - total services in operation

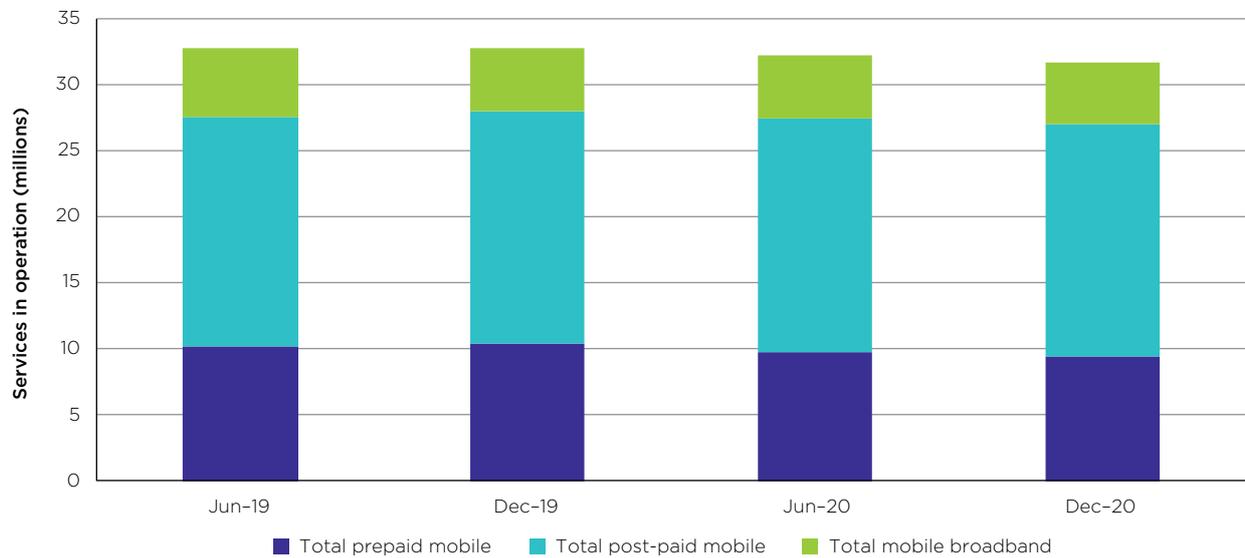
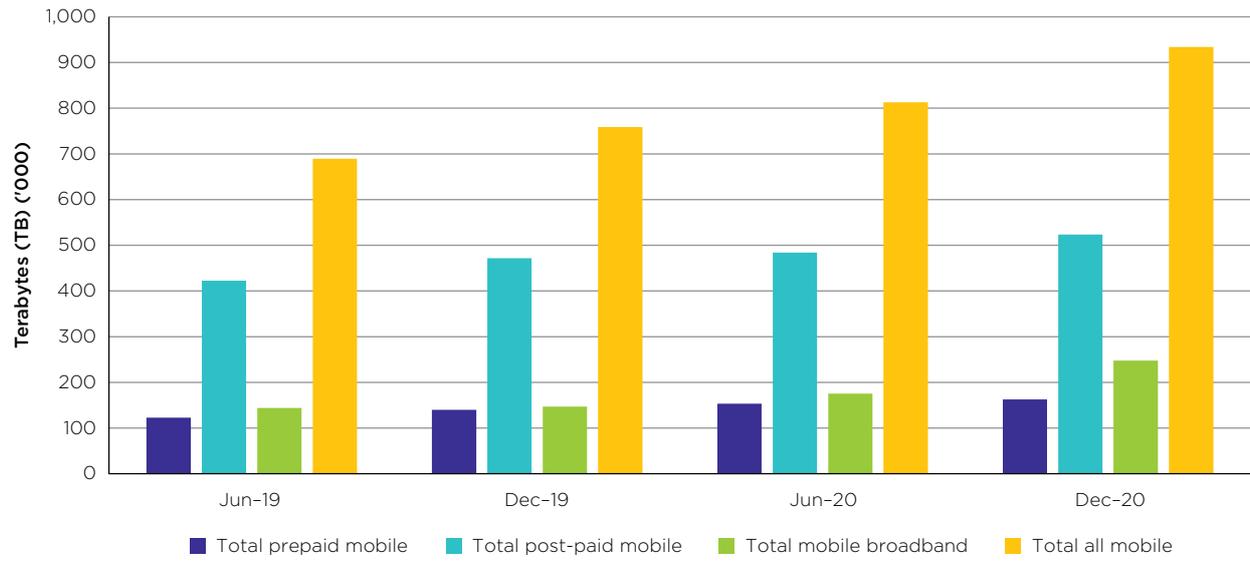


Figure 9: Average monthly volume of data downloaded by type of mobile service





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