# UK Consumer Study of Broadband Needs and Attitudes.

February 2022

Context Consulting

www.context-consulting.co.uk

# Objectives of the meeting is to finalise approach for next research phase of qualitative focus groups.

## Meeting Objectives

- Review key research findings
  - Current broadband landscape
  - Understanding and attitudes to fibre
  - Proposition reaction
  - Segment introduction
- Discuss any further analysis required from the research data (additional cuts and views)
- Agree segment profiles to be recruited during the qualitative phase
- Discuss and prioritize propositions to be tested as part of the qualitative phase

## 11 Propositions Tested

- 2Gb Full Fibre
- Clean and Easy Install
- Wi-Fi Optimisation
- Weekend Install
- Assured Bandwidth
- Next Day Installs
- Internet Guru
- Enhanced Internet Security
- Family controls
- Guaranteed appointment
- Free Upgrade for 6m

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# 1.

## Current Landscape.

# UK consumers need to be educated on their connectivity options

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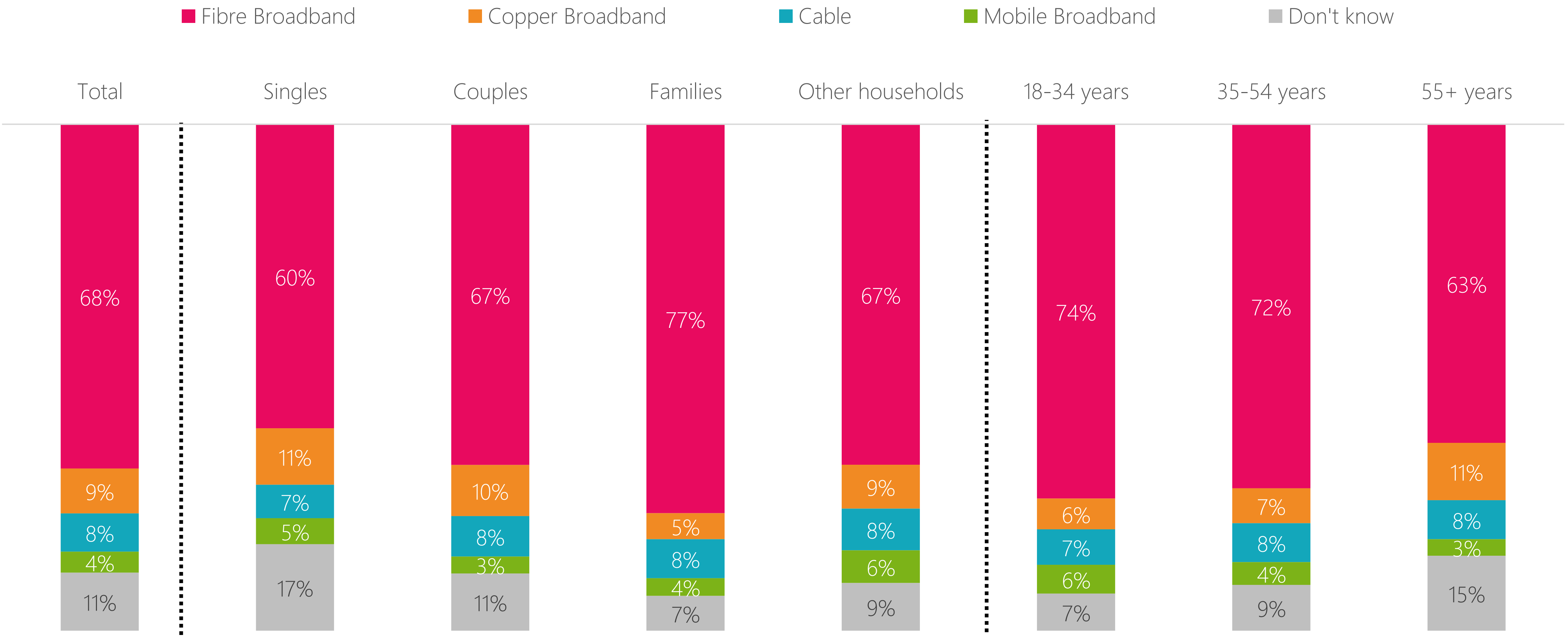
# Most consumers believe they are on Fibre Broadband, especially younger customers and those in family households

Type of connection:

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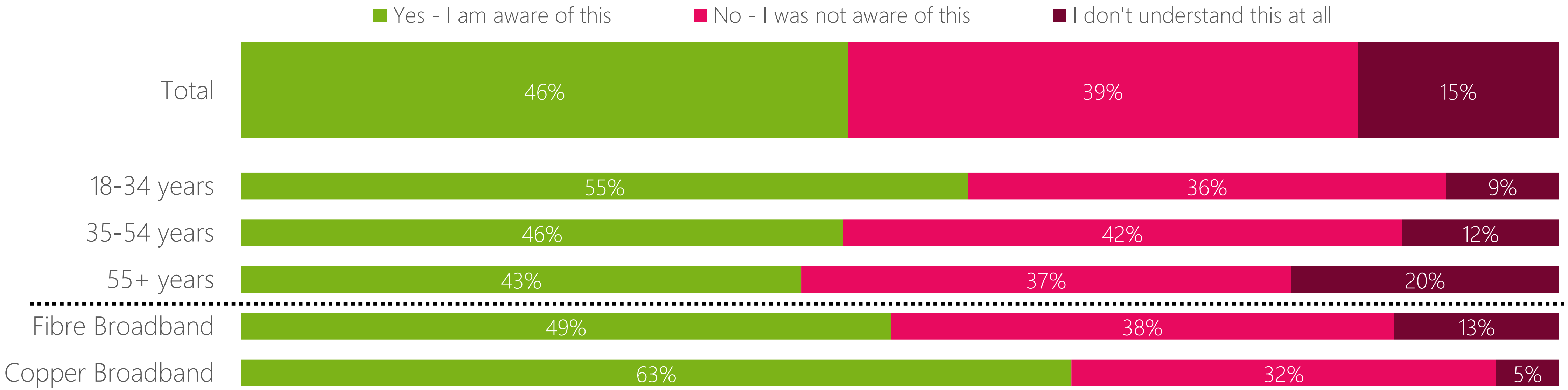
Q: What kind of internet connection does your household use? Base: Total (n=3,001), Singles (n=658), Couples (n=1,015), Families (n=767), Other households (n=218), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537)

# However, under half of consumers say they understand the distinction between full and partial fibre, with younger groups being most aware

Understanding of fibre broadband definition:

Many internet connections are referred to as 'fibre broadband' and are based on a mixture of modern, fast fibre optic connections and slower, traditional copper lines. These can provide connections up to 76Mbps. However, there are also connections based entirely, or end-to-end, on fast, pure fibre optic technology which Is far faster and reliable. We will refer to these as 'full fibre'

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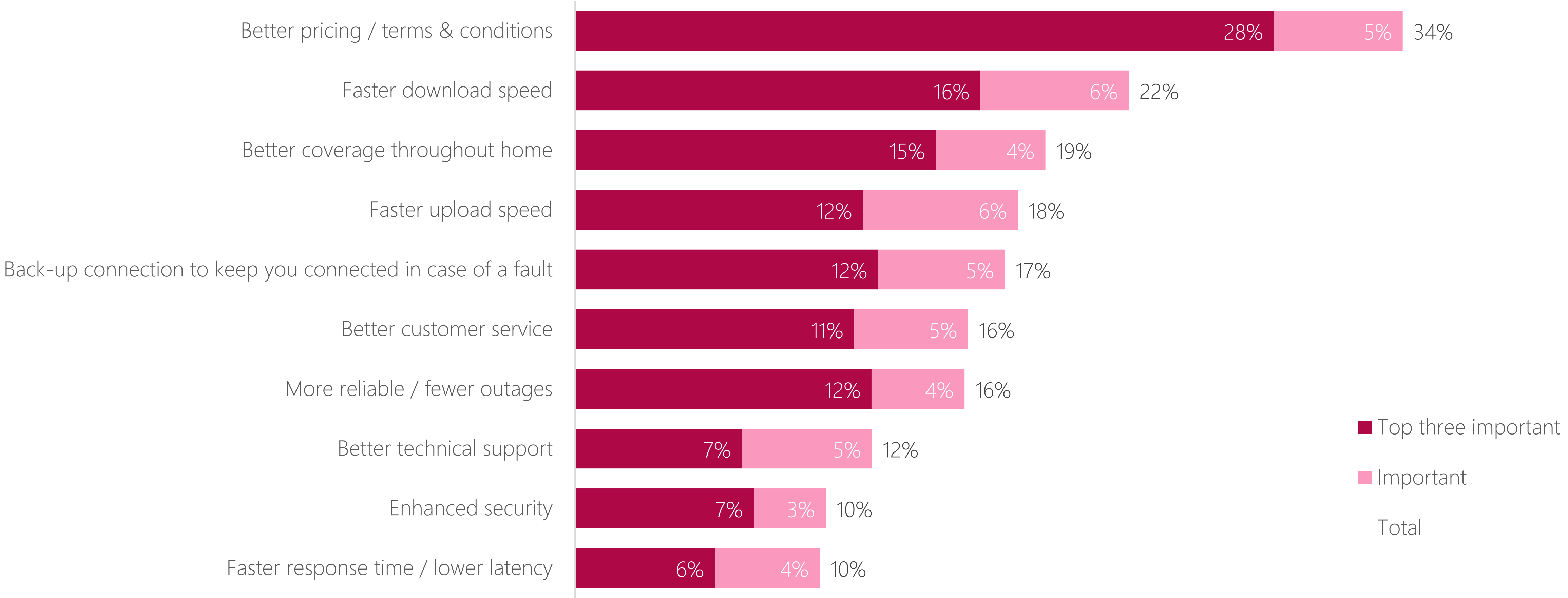
Q. Are you aware of this distinction? Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537), Fibre Broadband (n=2,041), Cooper Broadband (n=271)

# Desire for more affordable and ultimately more reliable, whole-home connectivity

# Better pricing and terms is the number one broadband improvement desired; download speeds and in-home coverage are also key

Broadband improvements:

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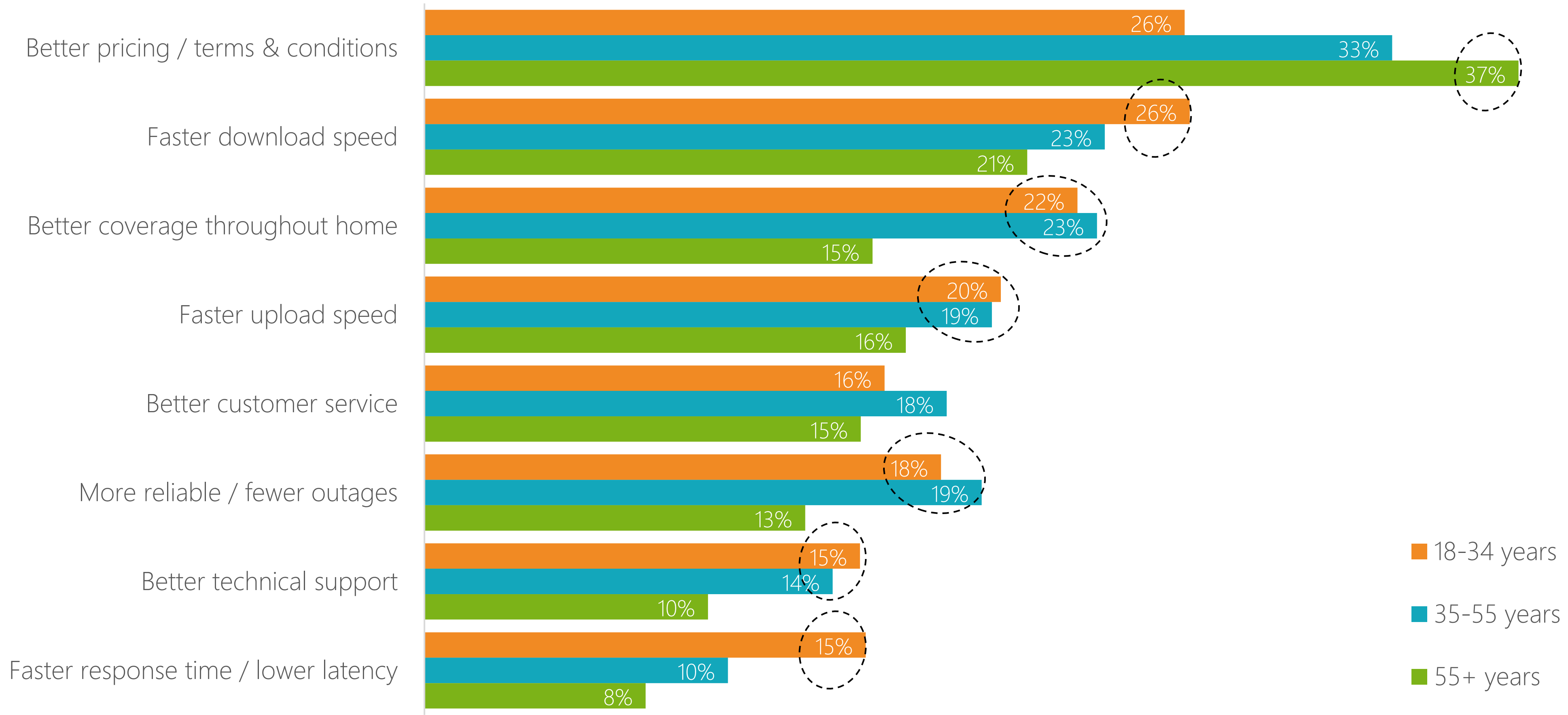
Q: And what improvements can be made with the internet service that you receive? Q: And which of these would be most important to you? Base: Total (n=3,001)

# Over 55s place price above all, while younger consumers are more focused on performance and coverage

Broadband improvements by age – selected shown:






Q: And what improvements can be made with the internet service that you receive? Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537)

# We are well into the era of multi-device households

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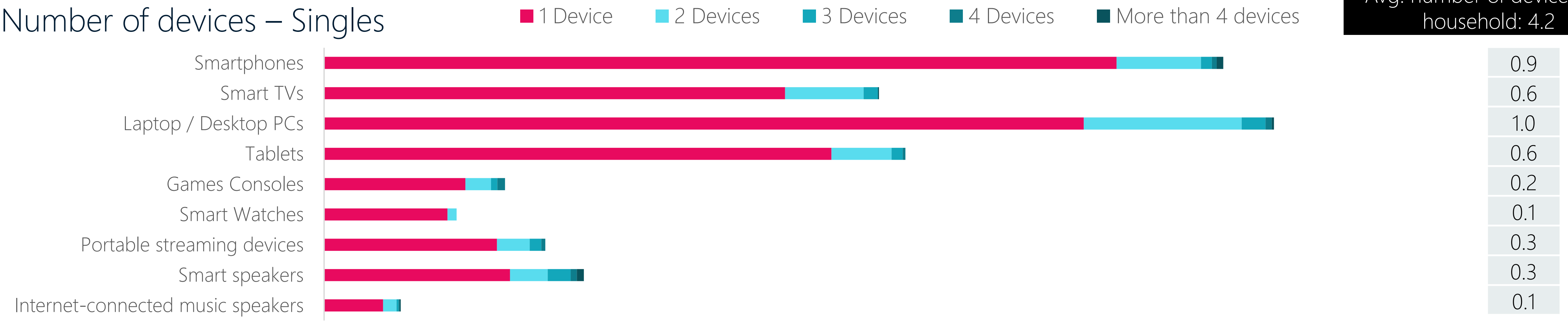
# On average customers will connect one smartphone per person, but are likely to share Tablets, Computers and Smart TVs with their partners

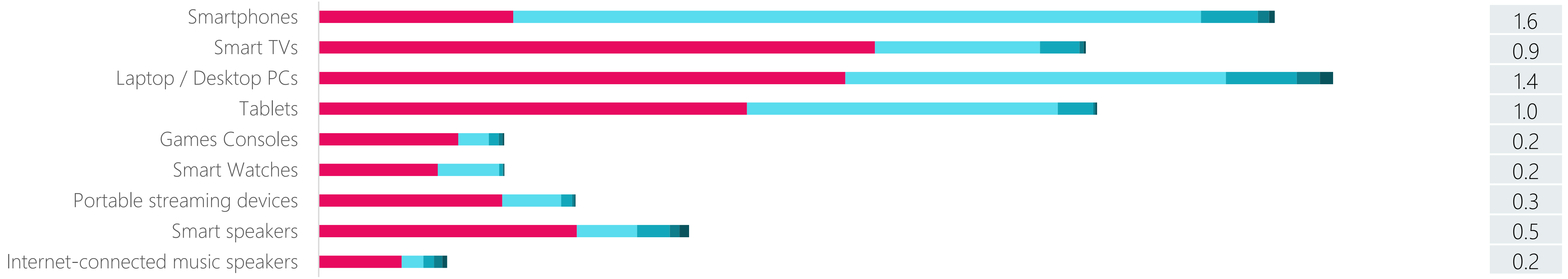
## Number of devices – Singles

Avg. number of devices per household: 4.2




## Number of devices – Couples

Avg. number of devices per household: 6.4



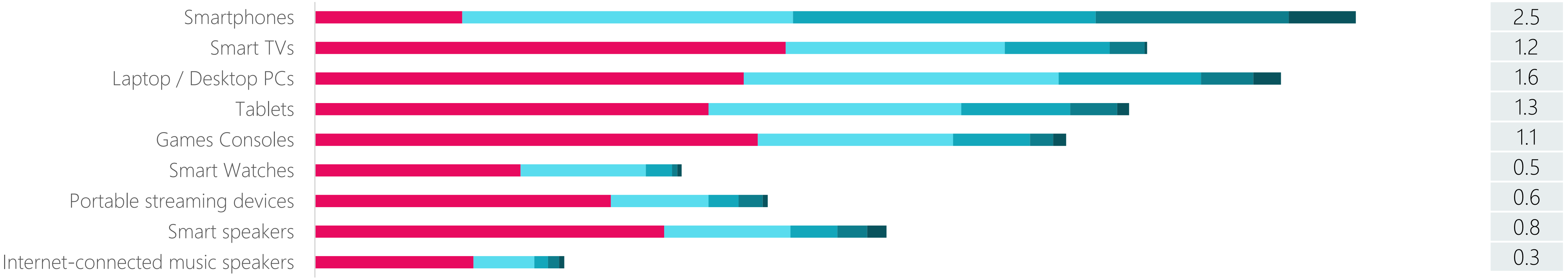

Context Consulting

Q: We would like to know how many devices you have connected to the internet in your home? Base: Total (n=3,001), Singles (n=658), Couples (n=1,015), Families (n=767), Other households (n=218)

# Households with children are likely to have more than 2 smartphones connected

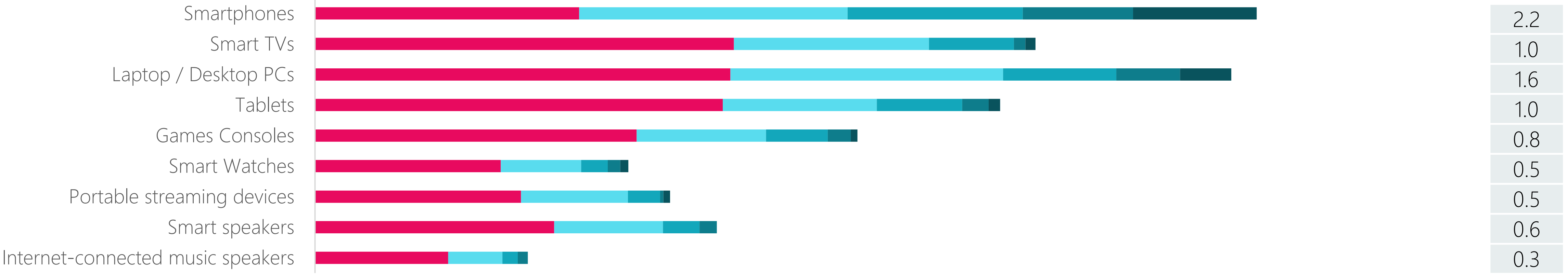
## Number of devices – Families

Avg. number of devices per household: 10




## Number of devices – Other households

Avg. number of devices per household: 8.3

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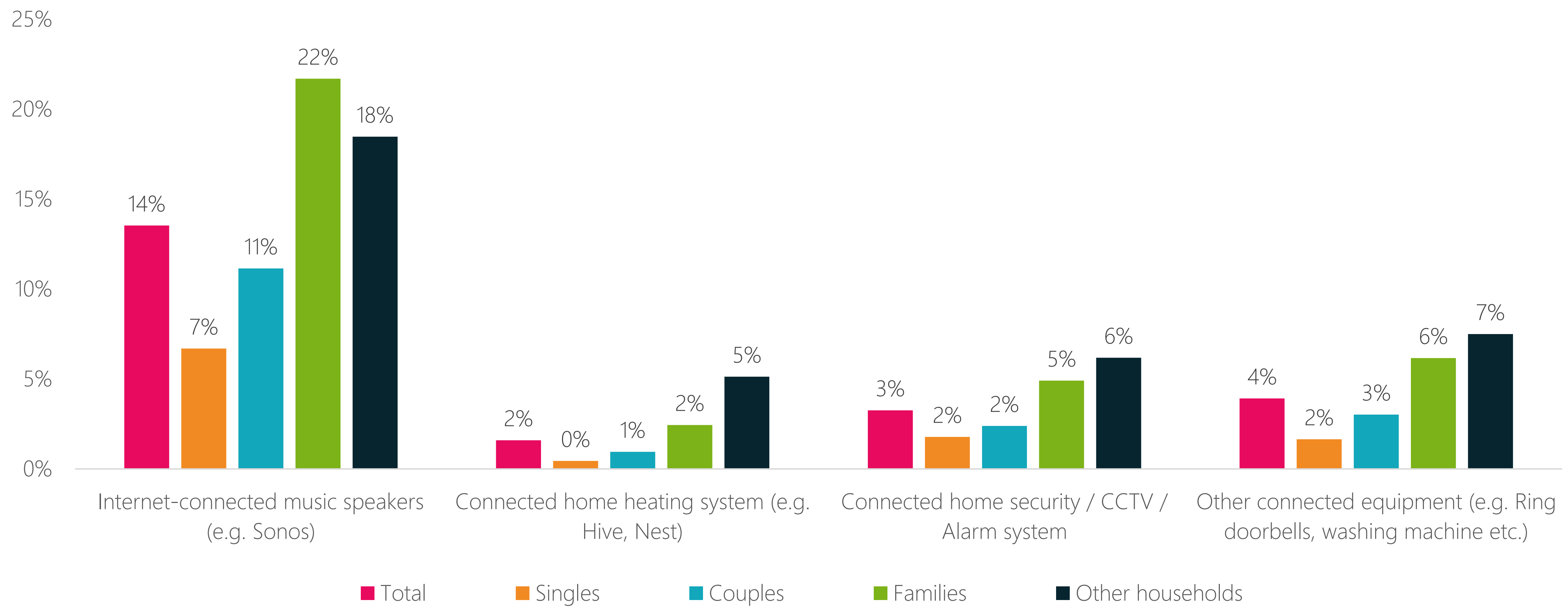
# Larger households and those with children tend to have more smart connected devices, although this is still a minority

Penetration of smart devices by household

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# Connected Devices

## Average Household owns 7.5 devices

**PC / Laptop**

| | |
|---|---|
| Average | 1.4 |
| Download | 70Mbps |

**Connected Heating**

| | |
|---|---|
| % households | 1% |

**Connected Security**

| | |
|---|---|
| % households | 3% |

**Connected Equipment**

| | |
|---|---|
| % households | 4% |

**Smart speakers**

| | |
|---|---|
| Average | 0.5 |

**Wearables**

| | |
|---|---|
| Average | 0.3 |

**Smart TVs**

| | |
|---|---|
| Average | 0.9 |

**Game consoles**

| | |
|---|---|
| Average | 0.5 |

**Smartphones**

| | |
|---|---|
| Average | 1.7 |

**Landline**

| | | |
|---|---|---|
| 36% active | 47% inactive | 17% none |

**Tablet**

| | |
|---|---|
| Average | 1 |

Q. We would like to know how many devices you have connected to the internet in your home. Please think about each of the following.

# Connected Devices

## Top 6% Early Adopters own 18 devices

| PC / Laptop | |
|---|---|
| Average | 2.4 |
| Download | 300Mbps |

| Connected Heating | |
|---|---|
| % households | 13% |

| Connected Security | |
|---|---|
| % households | 17% |

| Connected Equipment | |
|---|---|
| % households | 24% |

| Smart speakers | |
|---|---|
| Average | 3 |

| Wearables | |
|---|---|
| Average | 1.2 |

| Smart TVs | |
|---|---|
| Average | 2.1 |

| Game consoles | |
|---|---|
| Average | 1.3 |

| Smartphones | |
|---|---|
| Average | 3.4 |

| Landline | | |
|---|---|---|
| 30% active | 50% inactive | 20% none |

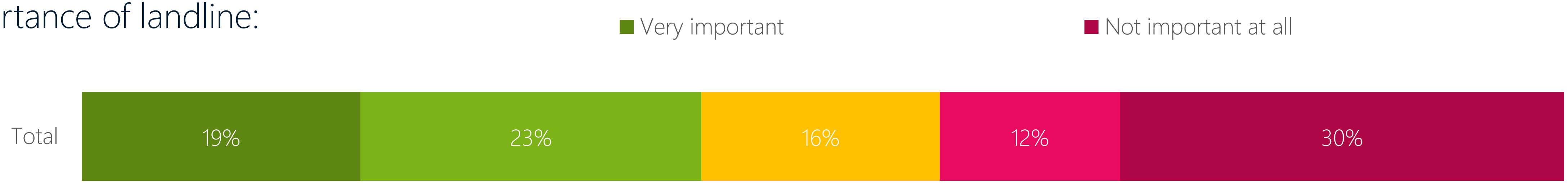
| Tablet | |
|---|---|
| Average | 2.3 |

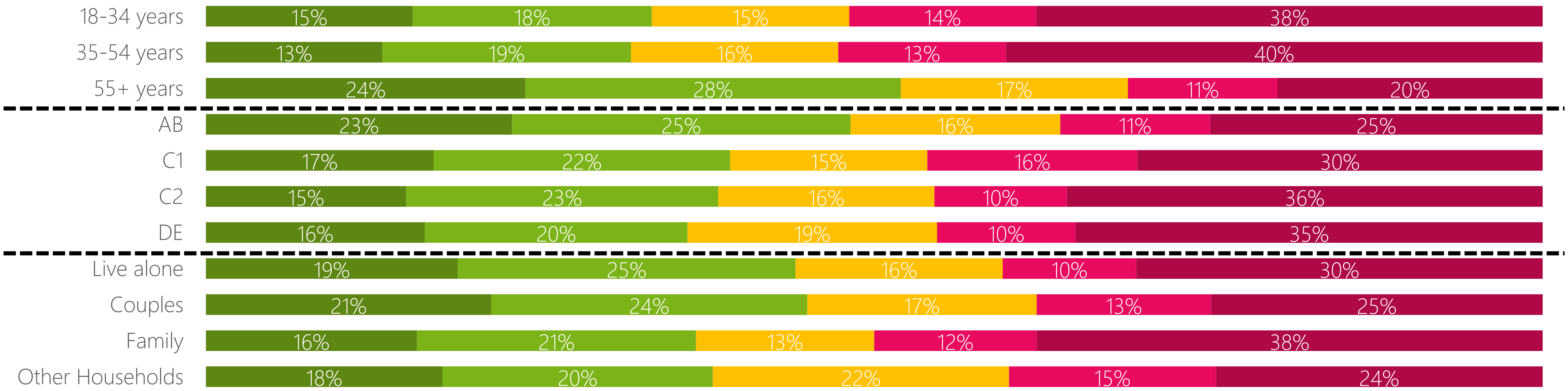
Q. We would like to know how many devices you have connected to the internet in your home. Please think about each of the following.

# The landline phone is dwindling in importance but still matters to many …

# There is still a high proportion of the market who believe having a Landline phone is important, even for young customer

Importance of landline:



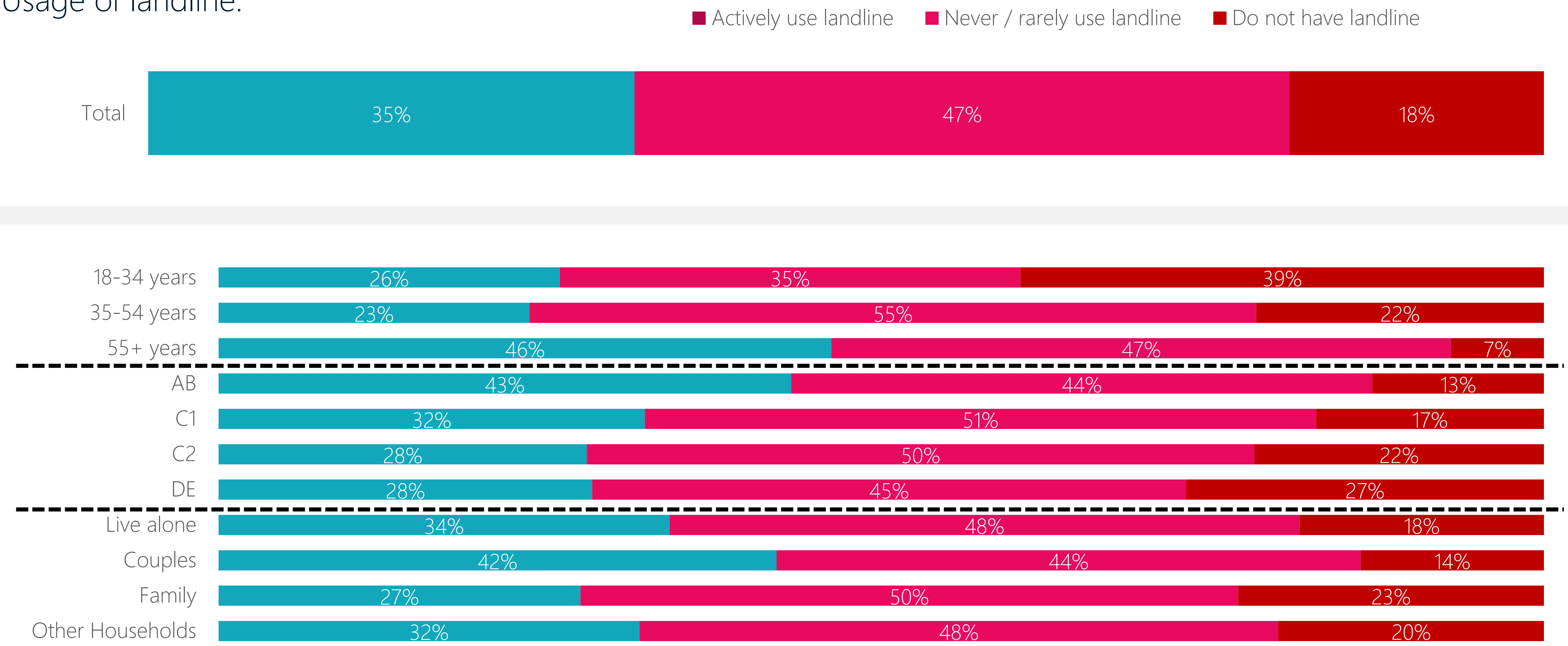




Context Consulting

Q: How important is a landline telephone for you? Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537), AB (n=1,116), C1 (n=878), C2 (n=411), DE (n=596)

# 2/3 of the market do not use their landline it is predominately older customers who still use it frequently

Usage of landline:

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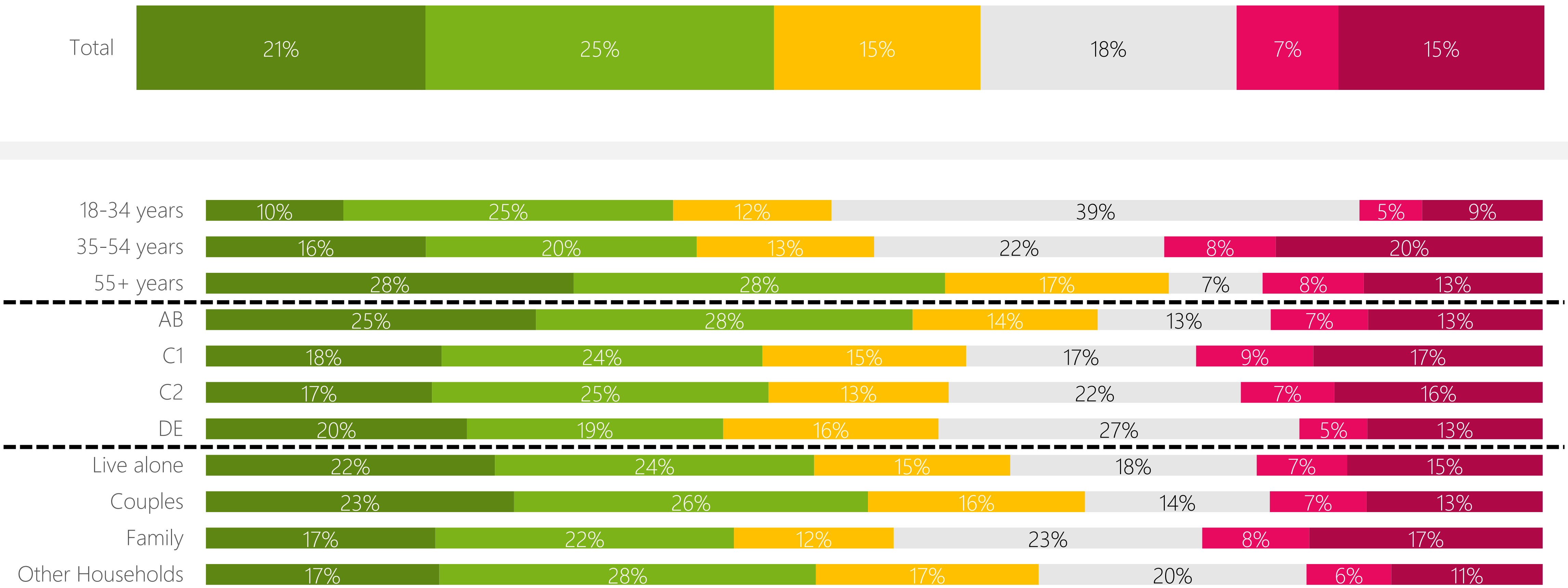
# Retaining their landline number will be a consideration for around half of customers if they were to change their broadband provider

Importance of moving landline:

Very important    Don't have one    Not important at all




Context Consulting

Q: And, how important would it be to retain this landline number? (e.g. in the event of moving home, changing service provider etc.)? Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537), AB (n=1,116), C1 (n=878), C2 (n=411), DE (n=596)

# 2.

## Brand Awareness and usage.

# Awareness of CityFibre is well behind OpenReach but varies greatly across the UK

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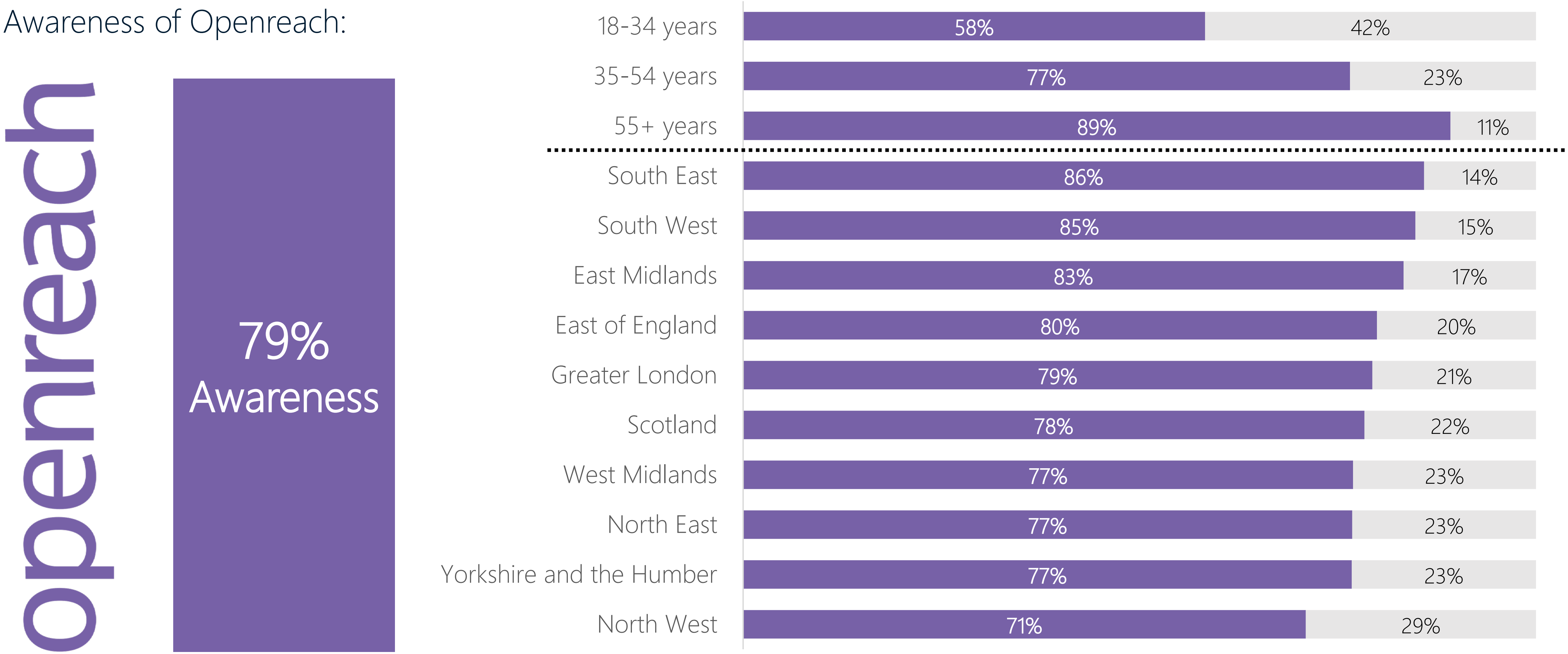
# Openreach is well known, more among older users with 89% awareness

Awareness of Openreach:




Context Consulting

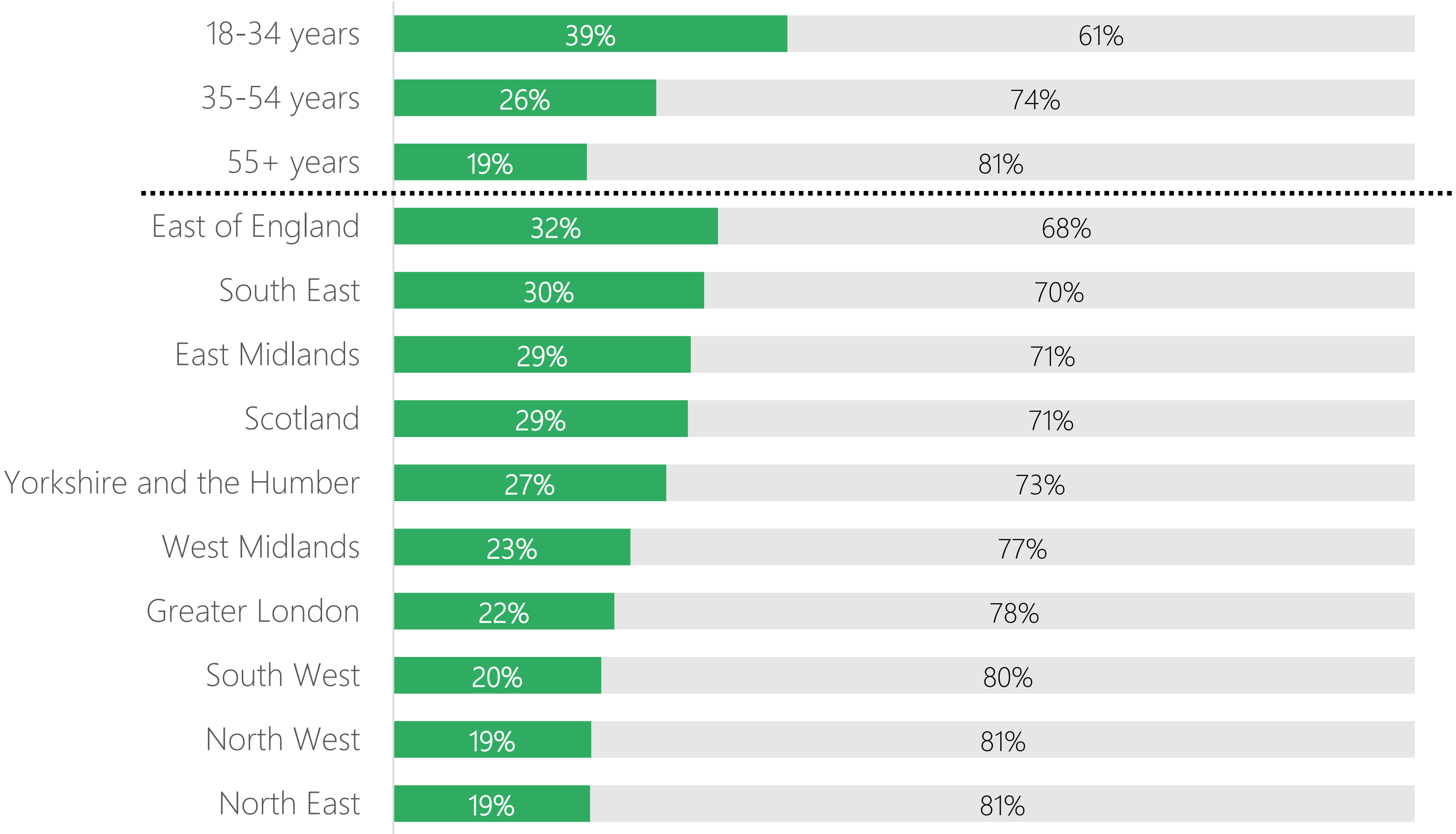
Q. Are you aware of either of these companies Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537), Scotland (n=272), North East (n=155), North West (n=398), Yorkshire and the Humber (n=318), West Midlands (n=323), East Midlands (n=259), South West (n=255), South East (n=307), East of England (n=317), Greater London (n=397)

# 1 in 4 aware of CityFibre, highest among 18-34 and in the East of England, whilst this is below 20% in the North East and North West

Awareness of CityFibre:

CityFibre

25%
Awareness

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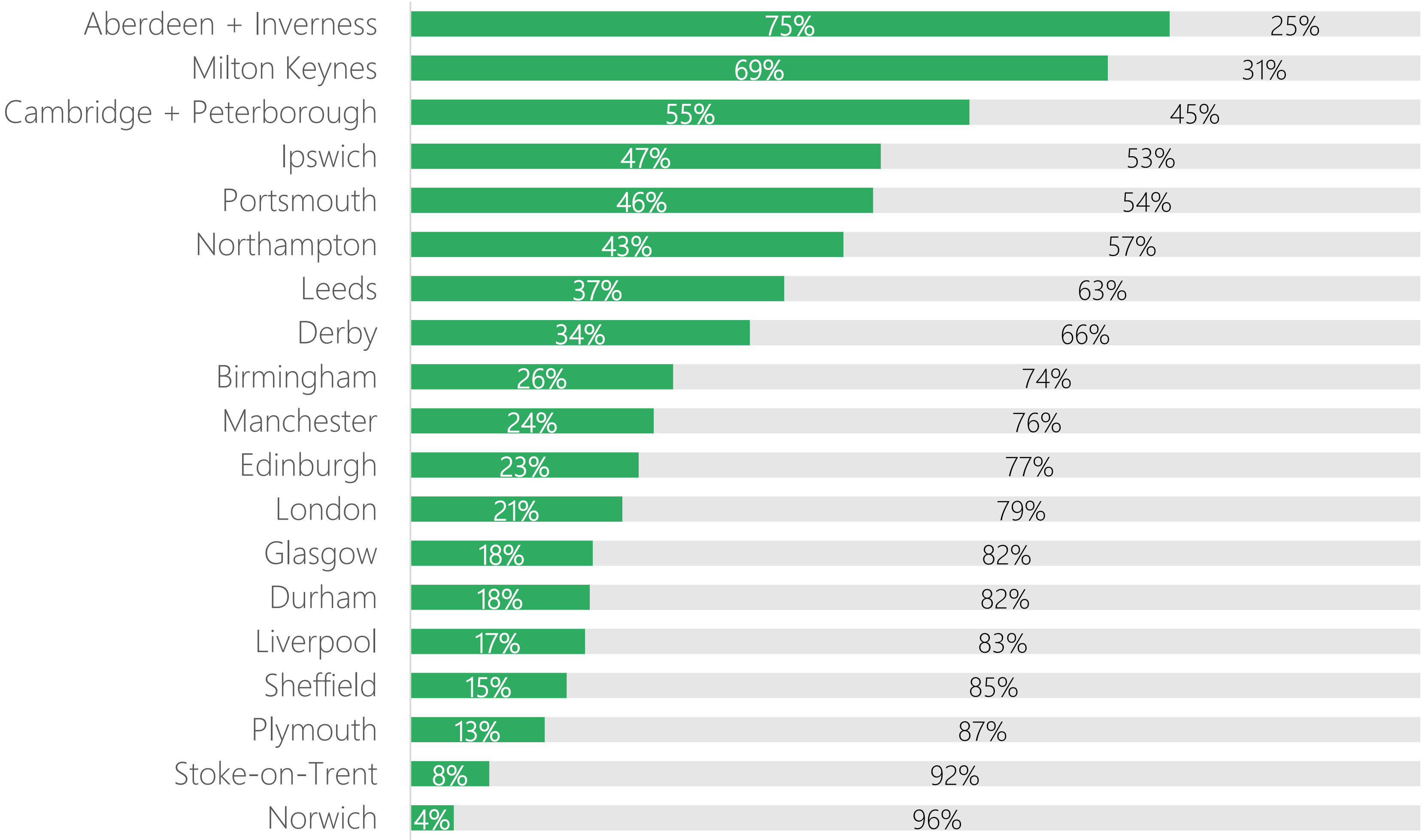
# Awareness of CityFibre is very regionally varied with over 50% awareness in selected cities, and below 10% in others

Awareness of CityFibre:

25%
Awareness

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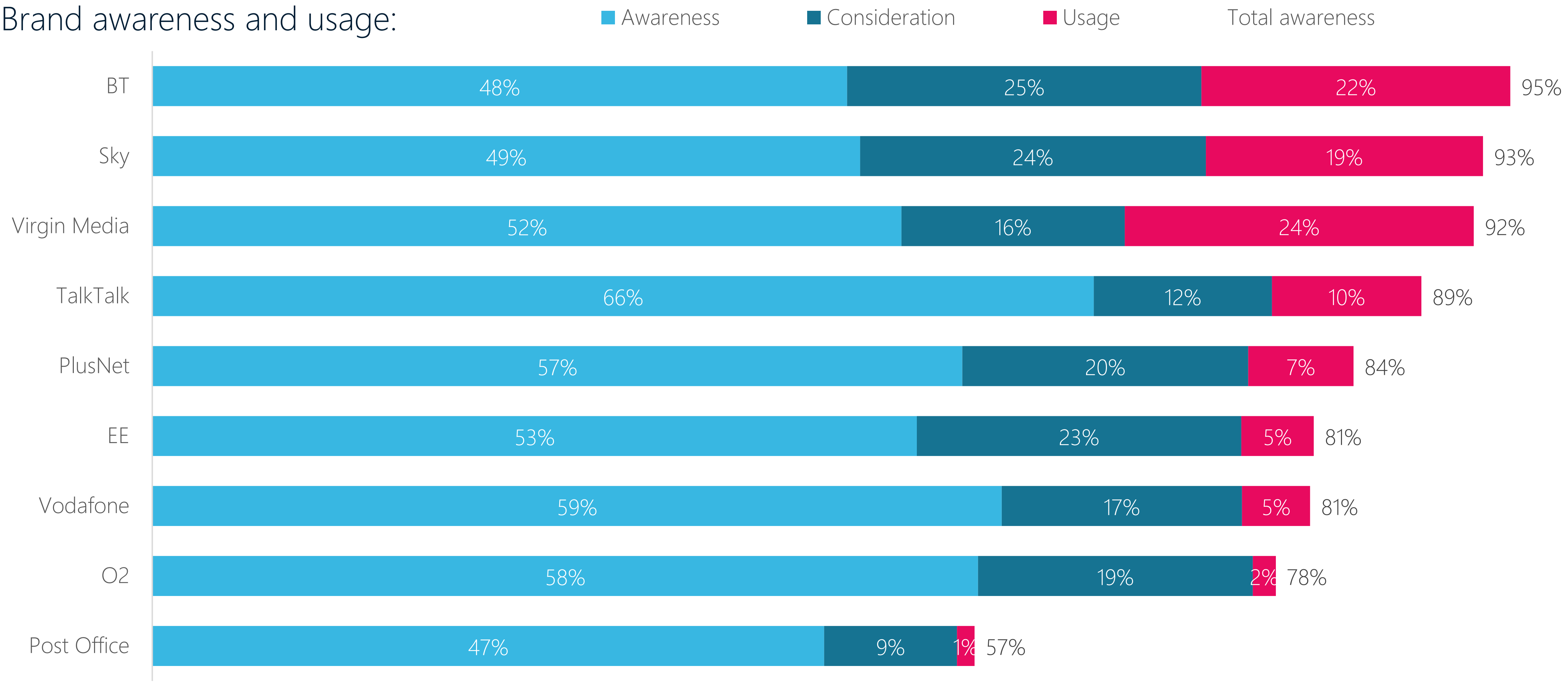
Q. Are you aware of either of these companies Base: Cambridge + Peterborough (n=57), Milton Keynes (n=23), London (n=392), Edinburgh (n=38), Southend (n=21), Ipswich (n=47), Norwich (n=86), Stirling (n=9), Dundee (n=29), Durham (n=42), Newcastle upon Tyne (n=34), Gateshead (n=14), Middlesbrough (n=9), Sunderland (n=19), Hartlepool (n=16), Redcar & Cleveland (n=8), Stockton-on-Tees (n=9), Leeds (n=51), Doncaster (n=31), Sheffield (n=77), Barnsley (n=11), Rotherham (n=12), Huddersfield (n=24), Batley, Dewsbury (n=14), Bradford (n=32), Halifax (n=11), Wakefield (n=20), York (n=14), Harrogate (n=14), Liverpool (n=84), Manchester (n=124), Salford (n=10), Chester (n=27), Blackpool (n=16), Preston (n=25), Bolton (n=23), Warrington (n=31), Wigan (n=20), Blackburn (n=12), St Helens (n=5), Rochdale (n=12), Loughborogh (n=5), Northampton (n=43), Leicester (n=60), Nottingham (n=102), Derby (n=44), Birmingham (n=138), Stoke-on-Trent (n=38), Oxford (n=18), Coventry (n=45), Wolverhampton (n=34), Solihull (n=25), Worcester (n=20), Lincoln (n=29), Luton (n=29), High Wycombe (n=19), Worthing (n=27), Brighton & Hove (n=36), Eastbourne (n=29), Crawley & Horsham (n=43), Chichester (n=3), Hastings (n=11), Reading (n=36), Swindon (n=36), Slough (n=21), Exeter (n=27), Bournemouth (n=30), Poole & Christchurch (n=38), Maidenhead (n=8), Bracknell (n=18), Cheltenham, Charlton Kings (n=30), Bath (n=12), Weston-super-Mare (n=18), Gloucester (n=25), Plymouth (n=43)

# BT, Virgin and Sky dominate the ISP landscape and satisfaction is broadly high

# BT, Sky and Virgin dominate in terms of usage

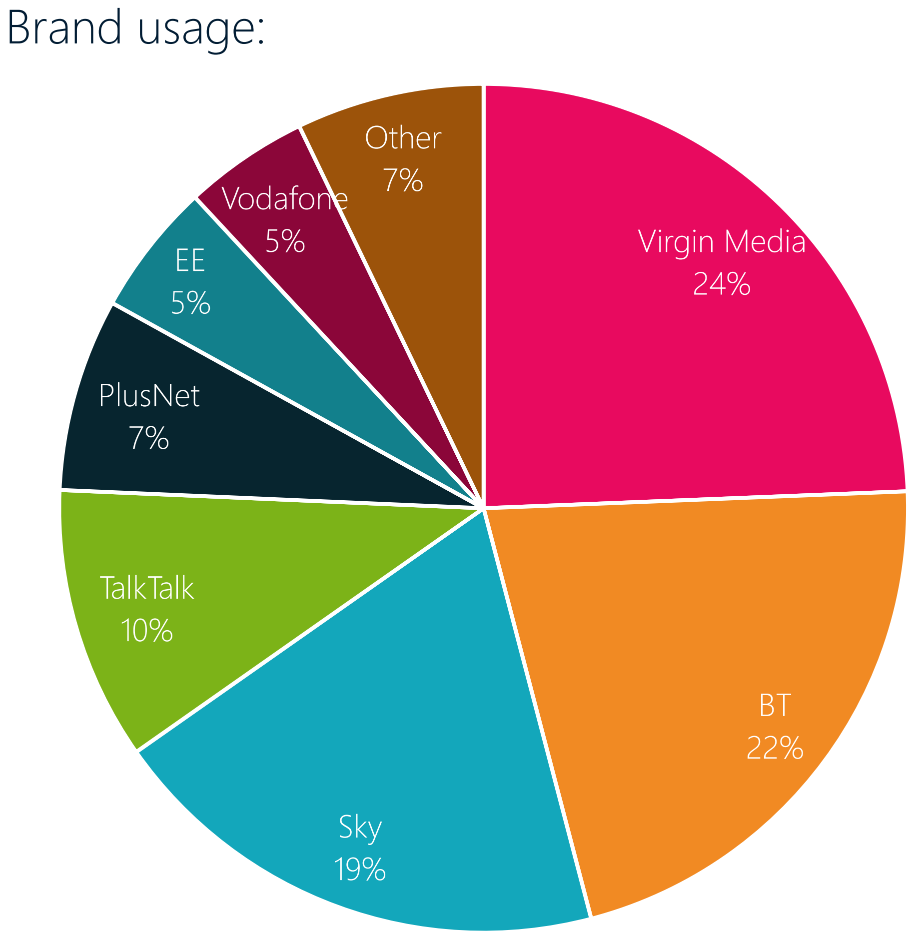
Brand awareness and usage:

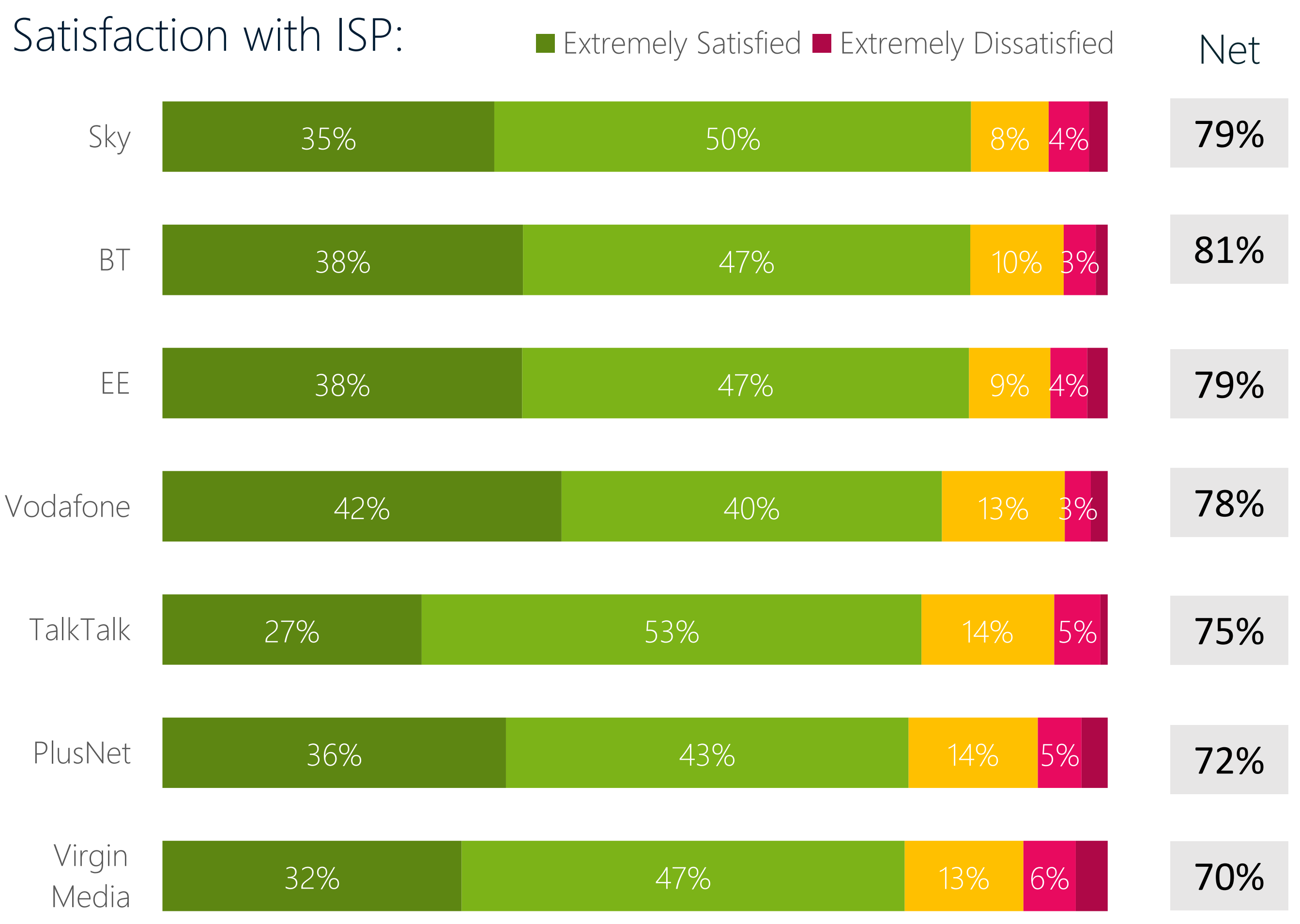



Context Consulting

Q. Which, if any, of the following internet service providers are you aware of? Q: And which of these providers would you consider when looking for an internet connection? Q: And who is the main provider for your home internet connection? If you use more than one, please select the provider you use most of.)? Base: Total (n=3,001)

# Overall satisfaction levels are high, though Virgin and PlusNet are significantly lower than BT, which leads the way



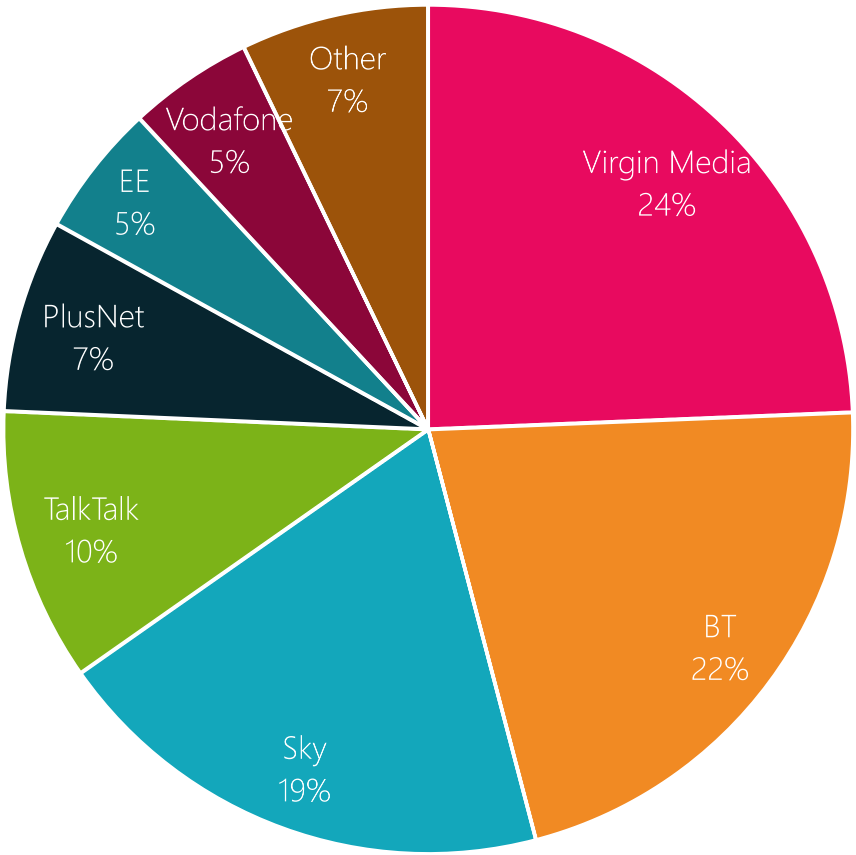

Context Consulting

Q: And who is the main provider for your home internet connection? If you use more than one, please select the provider you use most of.)?
Base: Total (n=3,001), Virgin Media (n=449), BT (n=383), Sky (n=421), TalkTalk (n=230), PlusNet (n=192), EE (n=150), Vodafone (n=142)

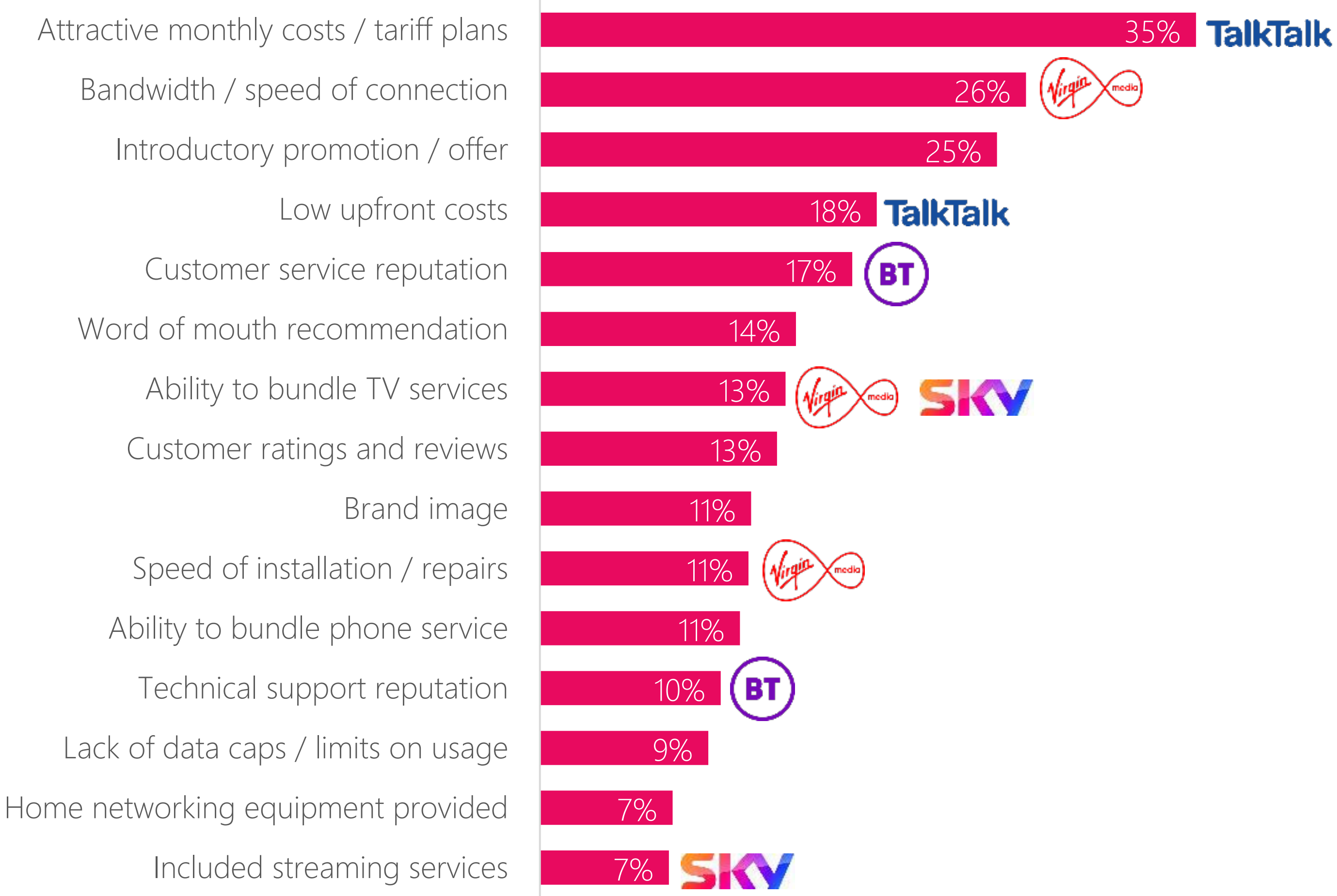
# Perceptions of the leading ISPs are well entrenched, with clear 'profiles' for each

# TalkTalk most chosen for its attractive costs; Virgin for speeds and bundled; BT for customer service and tech services; Sky for content

## Brand usage:




## Reasons for choosing provider:

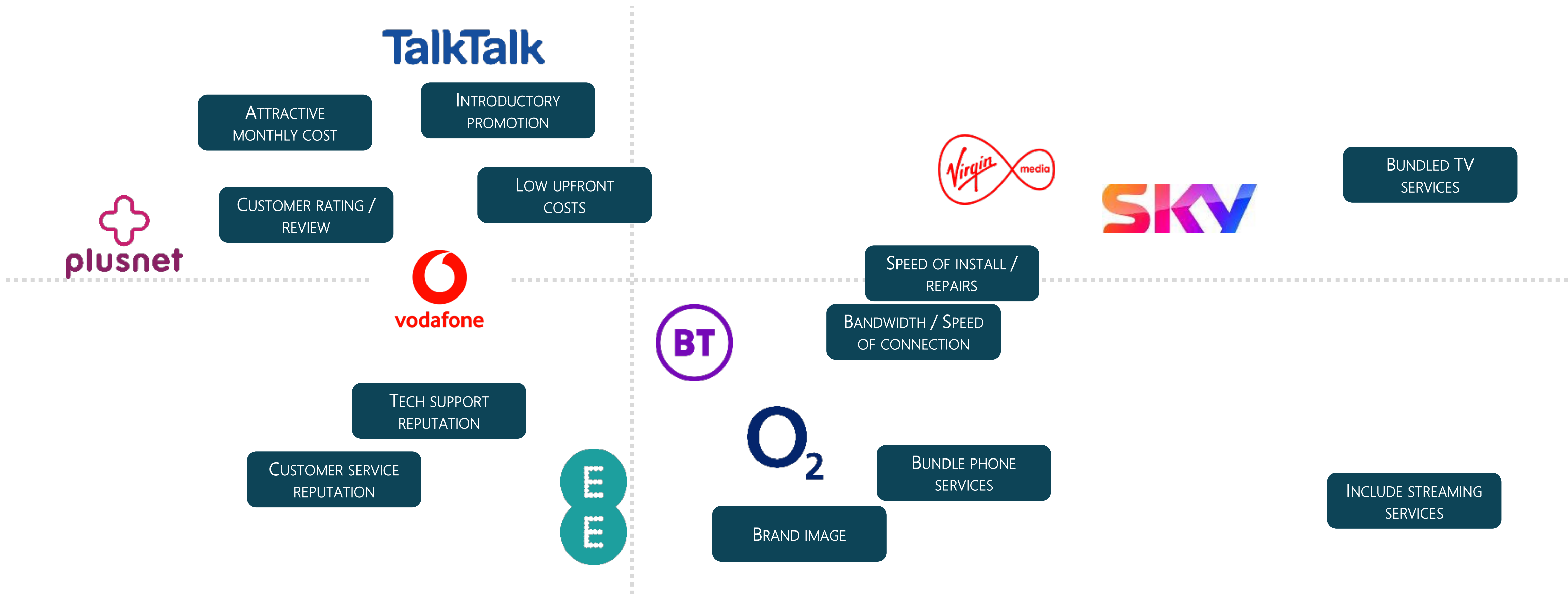



Context Consulting

Q: And who is the main provider for your home internet connection? Q56. And why did you select the provider you are currently with? Base: Total (n=3,001), Virgin Media (n=449), BT (n=383), Sky (n=421), TalkTalk (n=230), PlusNet (n=192)

# Providers are differentiated by their low-cost offer, ability to bundle TV and streaming service as well as support and service reputation

Brand landscape:

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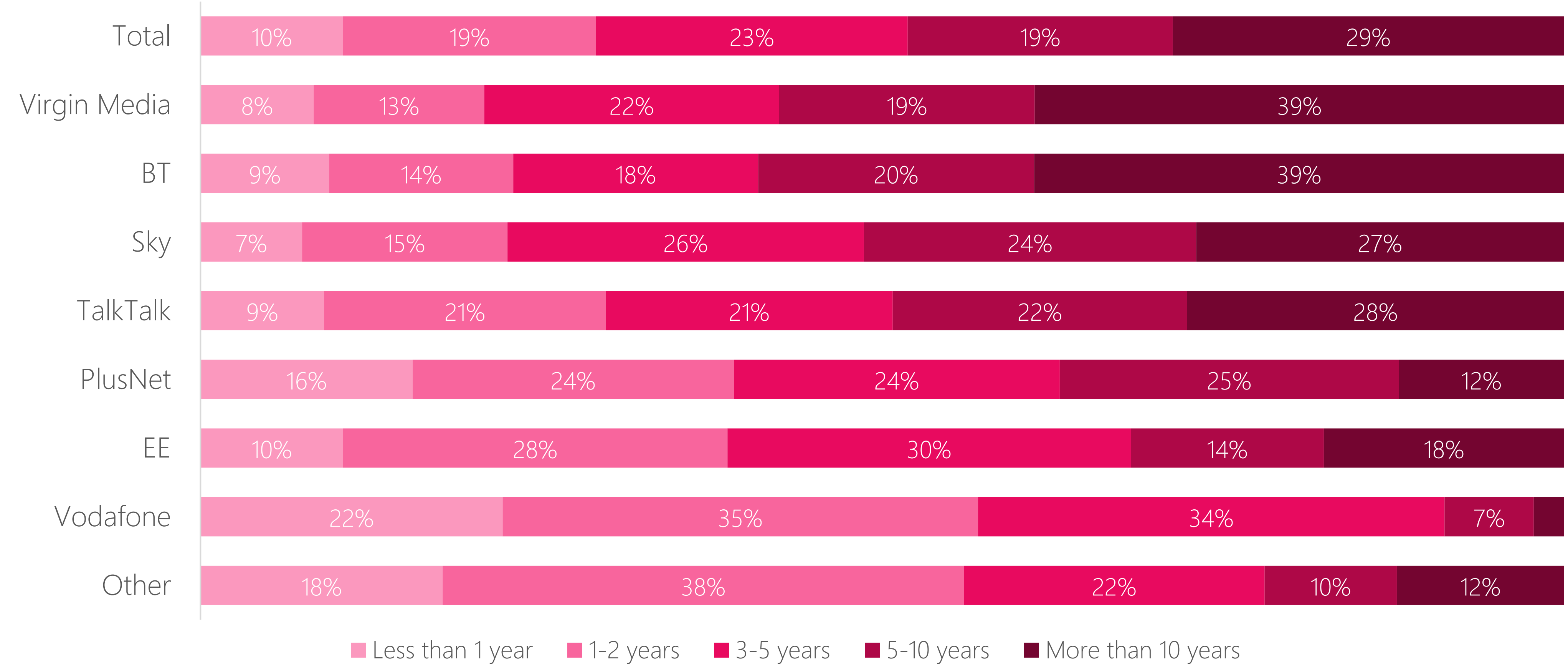
Q: And who is the main provider for your home internet connection? Q56. And why did you select the provider you are currently with? Base: Total (n=3,001), Virgin Media (n=449), BT (n=383), Sky (n=421), TalkTalk (n=230), PlusNet (n=192), O2 (n=42)

# BT, Sky and Virgin dominate in terms of usage and have the longest tenure customers. Vodafone and EE are new enterents

Tenure with provider:




| | Avg. Tenure |
|---|---|
| Total | 7.0 |
| Virgin Media | 8.3 |
| BT | 8.3 |
| Sky | 7.2 |
| TalkTalk | 7.0 |
| PlusNet | 5.1 |
| EE | 5.4 |
| Vodafone | 2.8 |
| Other | 4.1 |

Context Consulting

Q. How long have you been with your current internet service provider Base: Total (n=3,001), Virgin Media (n=449), BT (n=383), Sky (n=421), TalkTalk (n=230), PlusNet (n=192)

# 3.

## Bundling and Spend.

# Almost 4 in 5 UK consumers buy broadband together with at least one other service

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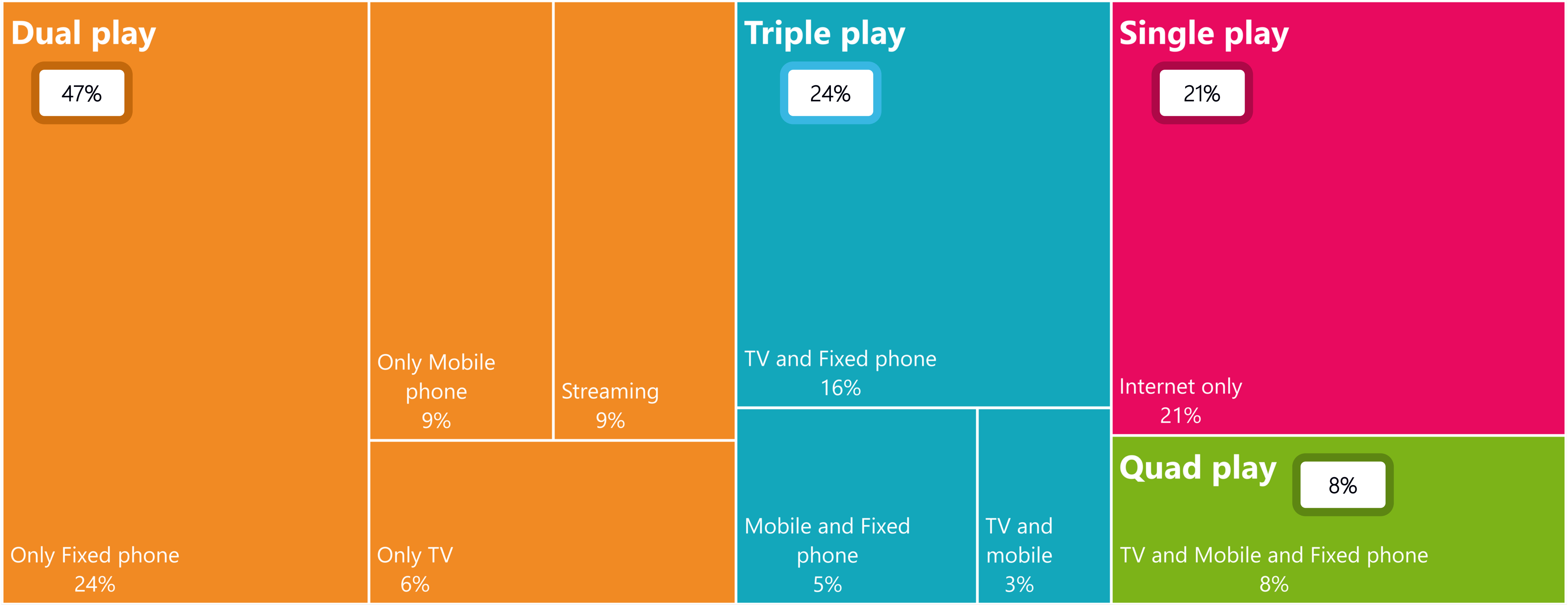
# The majority of customers are Dual Play with an additional service with their internet connectivity

Distribution of bundling with Broadband provider:




Context Consulting Q: Which other services, if any, do you receive from your internet service provider? Base: Total (n=3,001)

# Average spend per month rises from £32 as more services are added

**Single play**

Internet only
£32

**Dual play**

Plus TV
£53

Plus fixed line
£34

Plus mobile phone
£38

Plus streaming
£48

**Triple play**

Plus TV & fixed line
£59

Plus mobile & fixed line
£41

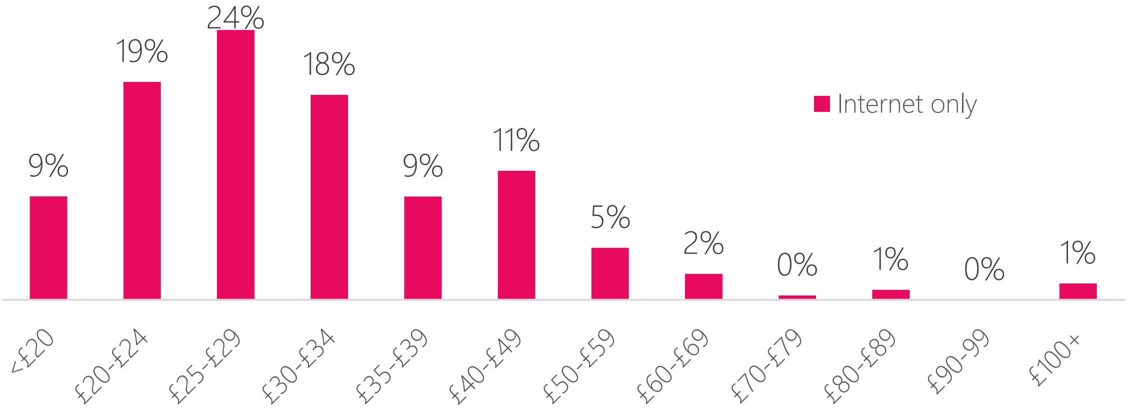
Plus TV & mobile phone
£55

**Quad play**

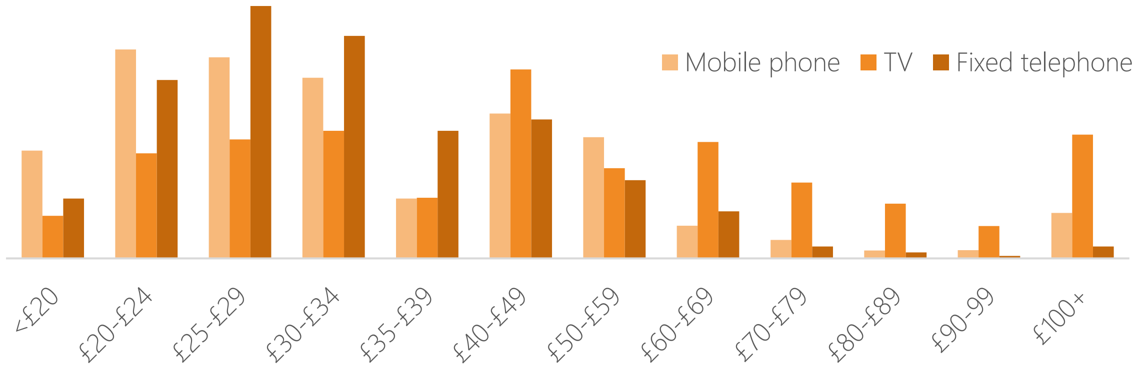
Internet, phone, TV, mobile
£66

# Distribution of spend per month amongst types of bundled services

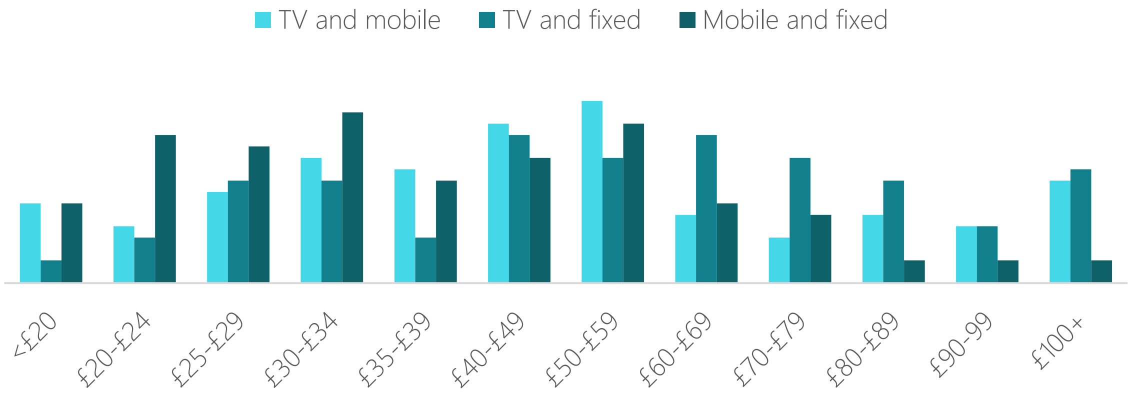
21% | Single Play | £32



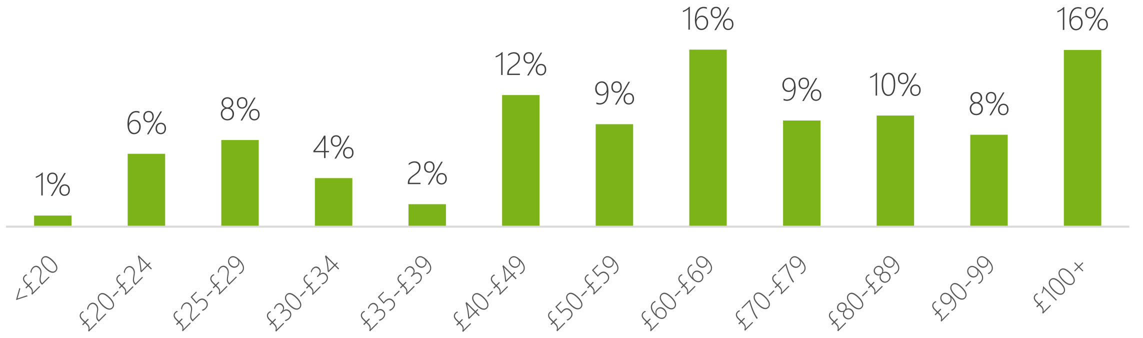

47% | Dual Play | £38




24% | Triple Play | £55




8% | Quad Play | £66

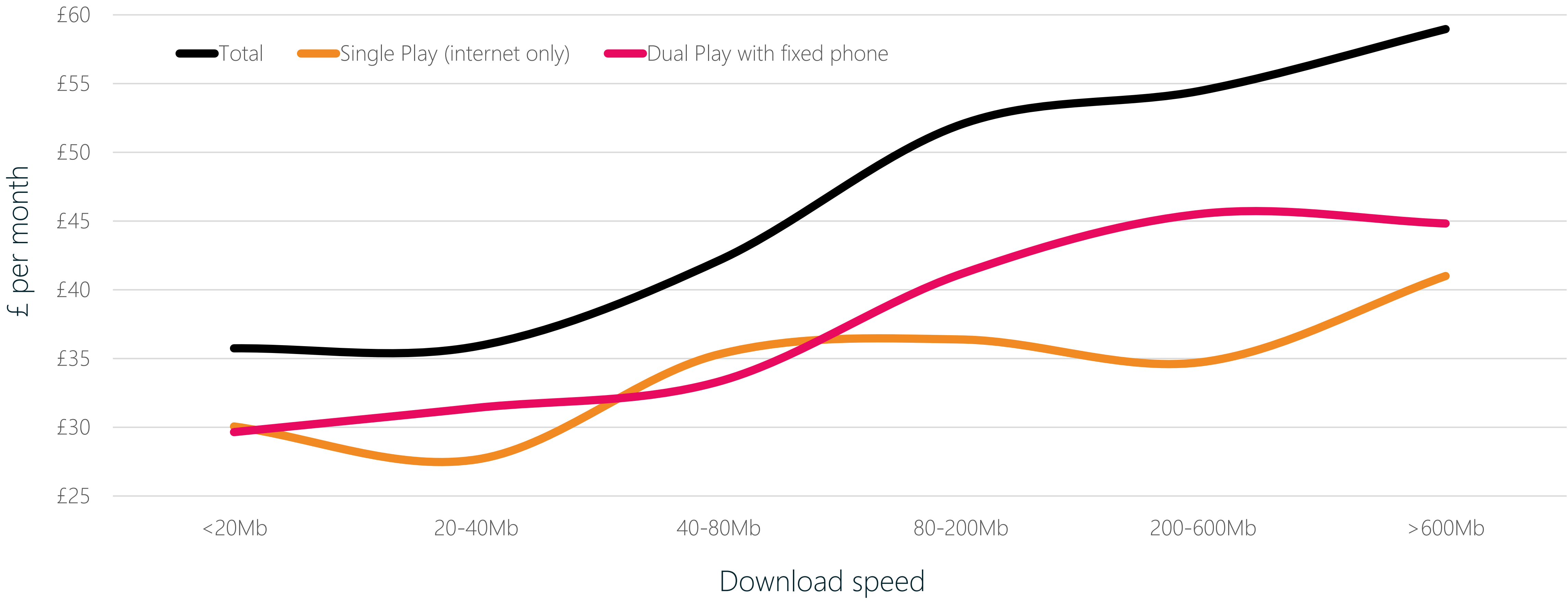



Context Consulting

Q: On average, what is your approximate monthly spend with your internet service provider? Q: Which other services, if any, do you receive from your internet service provider? Base: Total (n=3,001)

# Distribution of spend amongst types of bundled services

Average spend per month by Download speed:

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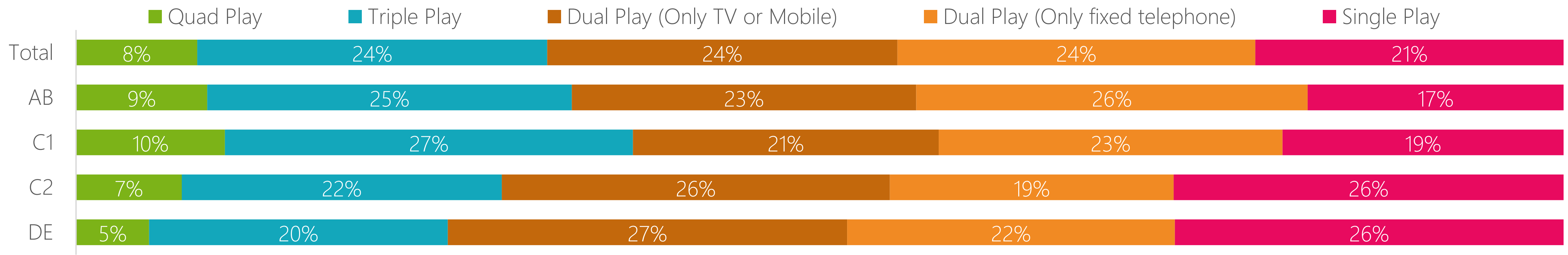
Q: On average, what is your approximate monthly spend with your internet service provider? Q: What download speed does your internet package support? Base: Total (n=3,001), Single Play (n=607), Dual with fixed phone (n=724)

# Higher social grade customers are more likely to have a Quad Play package, a quarter of C2DE customers only taking home broadband

Bundling of services by Social Grade:




| Average | Total | AB | C1 | C2 | DE |
|---|---|---|---|---|---|
| Quad Play | £66 | £71 | £62 | £57 | £73 |
| Triple Play | £55 | £55 | £55 | £55 | £53 |
| Dual Play (fixed telephone) | £34 | £35 | £34 | £36 | £34 |
| Dual Play (Mobile or TV only) | £49 | £51 | £45 | £53 | £48 |
| Single Play | £32 | £36 | £28 | £33 | £31 |

Context Consulting

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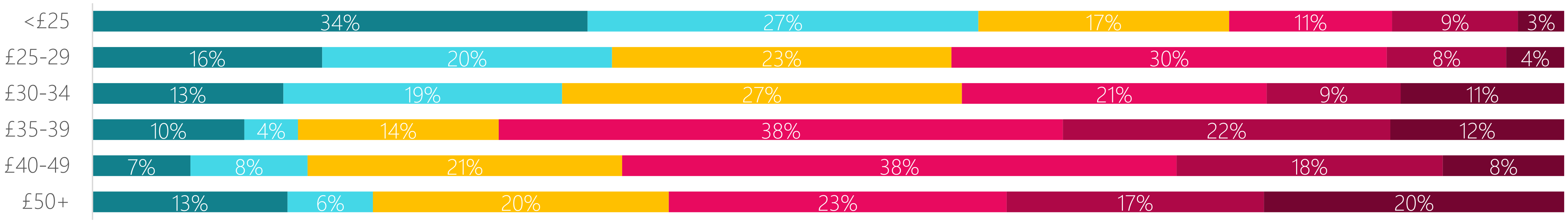
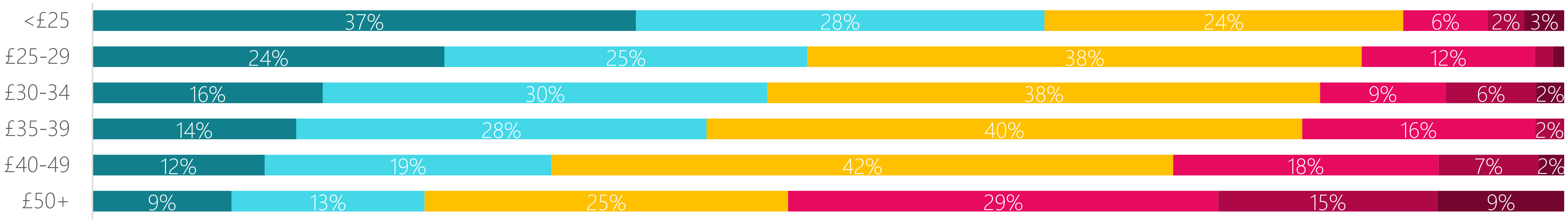
# For broadband only packages there is a step up in speed above £35

Download speed by spend per month:
Single Play (Internet only)




Dual Play with fixed phone:

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# 4.

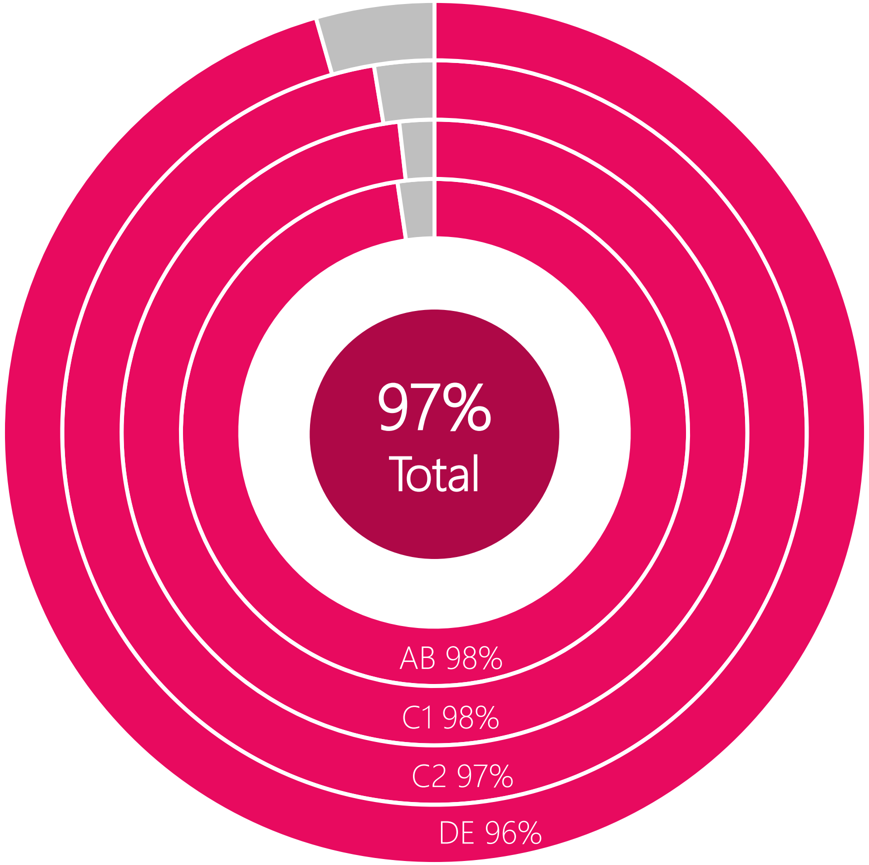
## Fibre awareness and usage.

# There is confusion over the term ‘fibre’, which has been loosely used for years

Context Consulting

# The term fibre in relation to internet connection is universally known, unsurprisingly in view of how much the term is (mis)used by providers

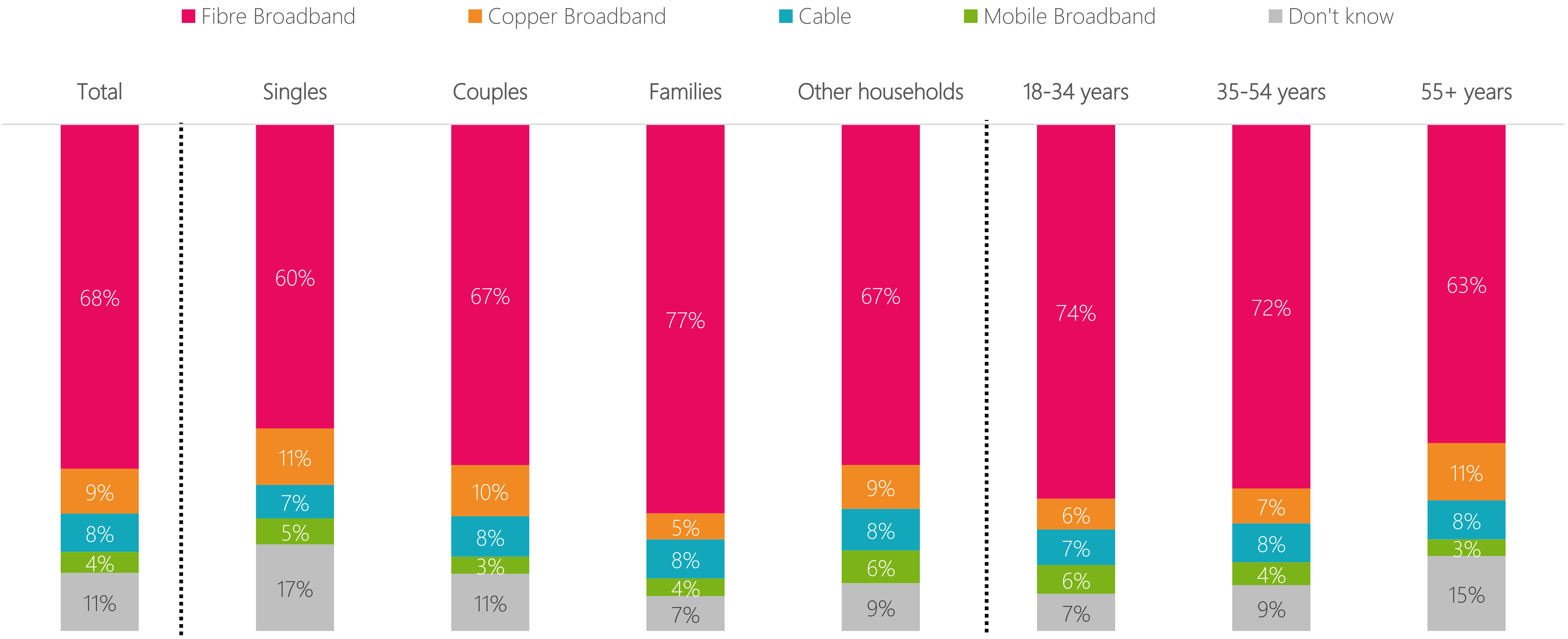
Awareness of the term 'fibre':




Q. Before today, have you heard of the term 'fibre' when applied to internet connections? Base: Total (n=3,001), AB (n=1,116), C1 (n=878), C2 (n=411), DE (n=596)

# Most consumers believe they are on Fibre Broadband, especially younger customers and those in family households

Type of connection:



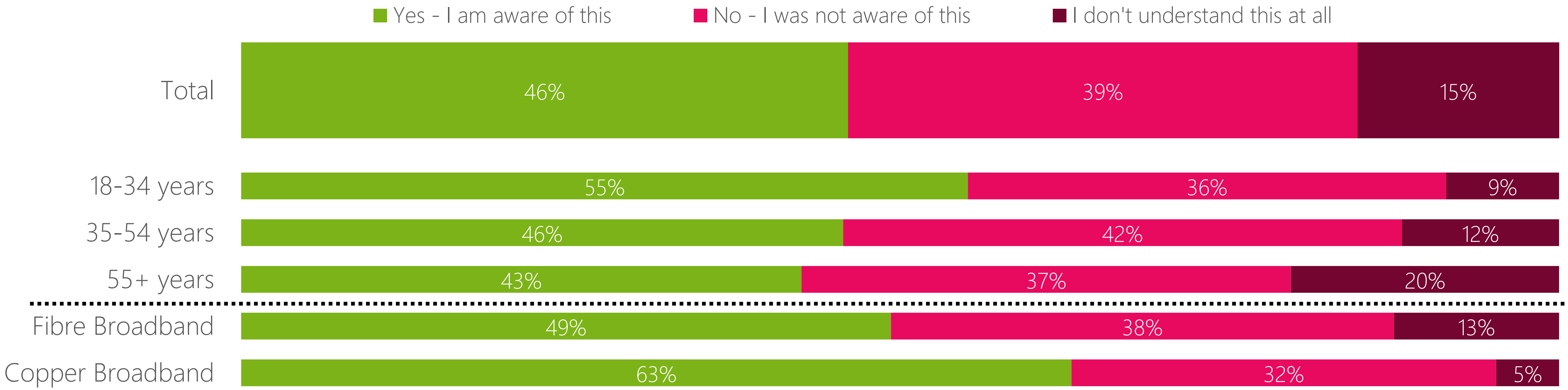

Context Consulting

Q: What kind of internet connection does your household use? Base: Total (n=3,001), Singles (n=658), Couples (n=1,015), Families (n=767), Other households (n=218), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537)

# However, under half of consumers say they understand the distinction between full and partial fibre, with younger groups being most aware

Understanding of fibre broadband definition:

Many internet connections are referred to as 'fibre broadband' and are based on a mixture of modern, fast fibre optic connections and slower, traditional copper lines. These can provide connections up to 76Mbps. However, there are also connections based entirely, or end-to-end, on fast, pure fibre optic technology which Is far faster and reliable. We will refer to these as 'full fibre'



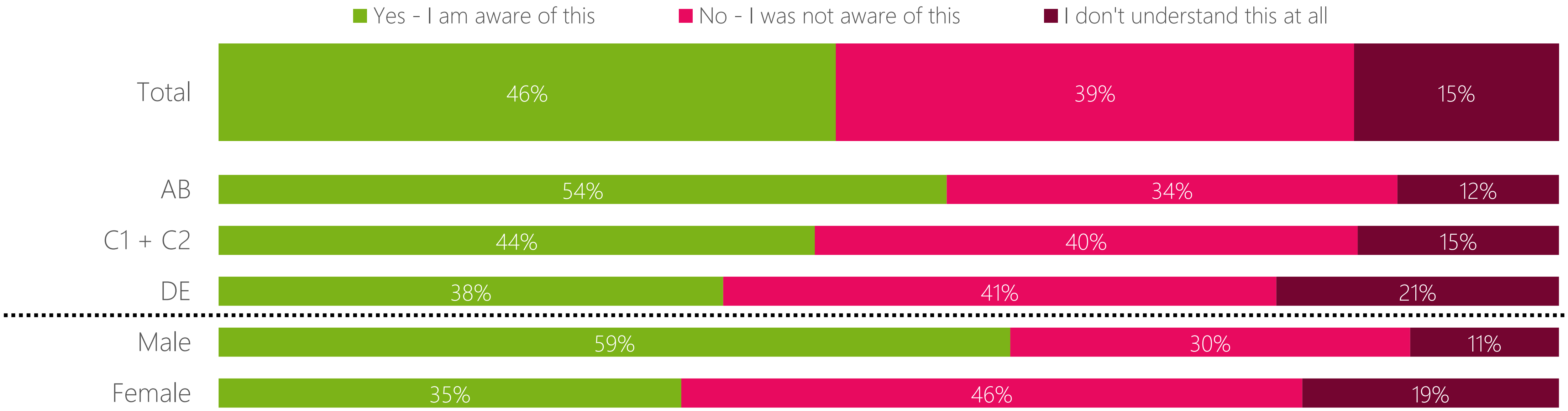

Context Consulting

Q. Are you aware of this distinction? Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537), Fibre Broadband (n=2,041), Cooper Broadband (n=271)

# Awareness of full vs. partial fibre tracks social grades, while men are <u>much</u> more likely than women to claim awareness

Understanding of fibre broadband definition:

Many internet connections are referred to as ‘fibre broadband’ and are based on a mixture of modern, fast fibre optic connections and slower, traditional copper lines. These can provide connections up to 76Mbps. However, there are also connections based entirely, or end-to-end, on fast, pure fibre optic technology which Is far faster and reliable. We will refer to these as ‘full fibre’

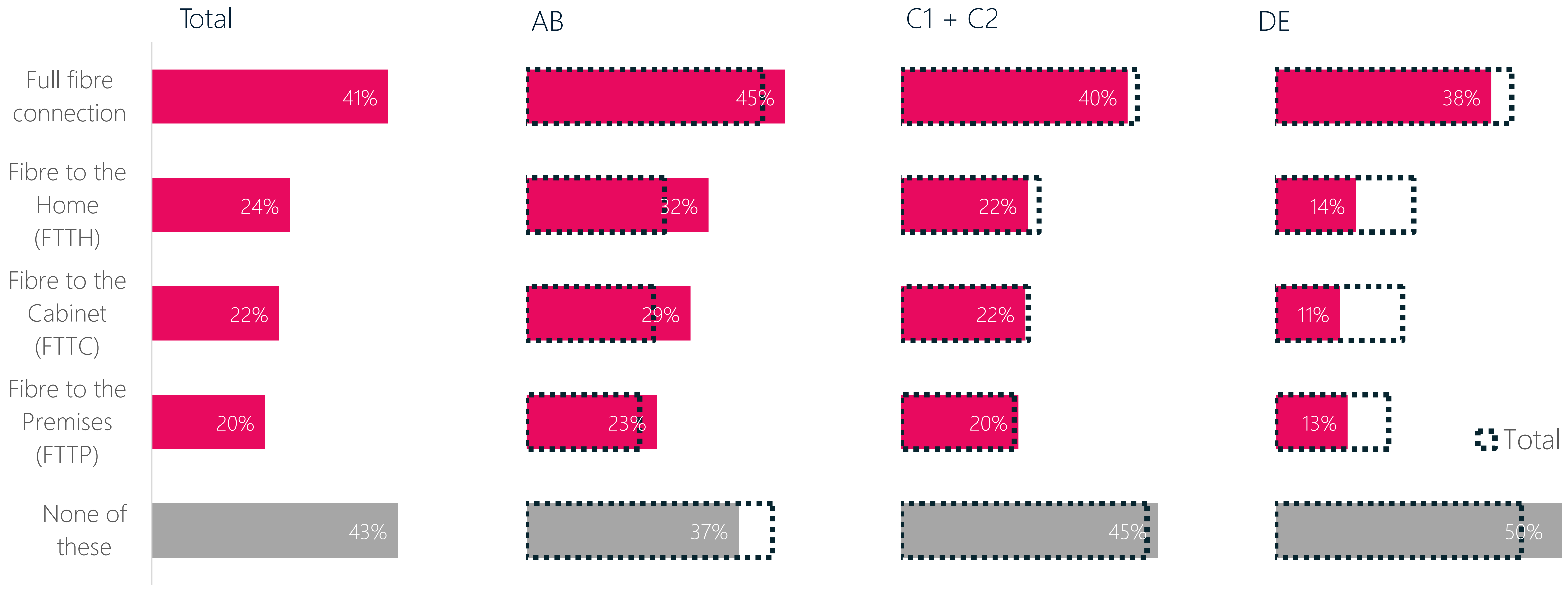



Q. Are you aware of this distinction? Base: Total (n=3,001), AB (n=1,116), C1/C2 (n=1,289), DE (n=596), Male (n=1,473), Female (n=1,525)

Context Consulting

# Very limited awareness of the terms FTTP / FTTC / FTTH, especially among lower sociodemographic groups; many admit to not knowing

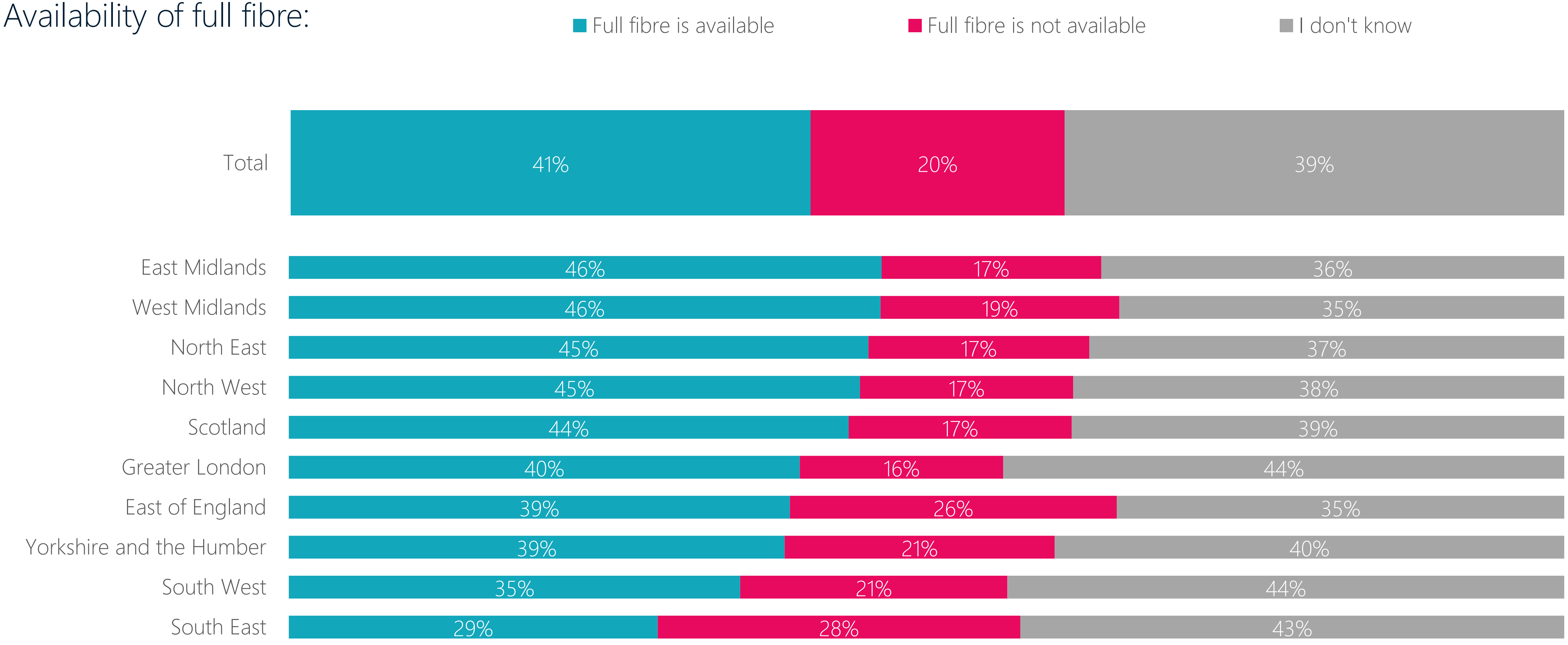
Awareness of terms:




Q: Are you aware of the following terms with reference to internet connections? Base: Total (n=3,001), AB (n=1,116), C1/C2 (n=1,289), DE (n=596)

# 4 in 10 consumers believe they can access full fibre today; but two thirds of those in the SE and SW do not believe / know they can get full fibre

Availability of full fibre:

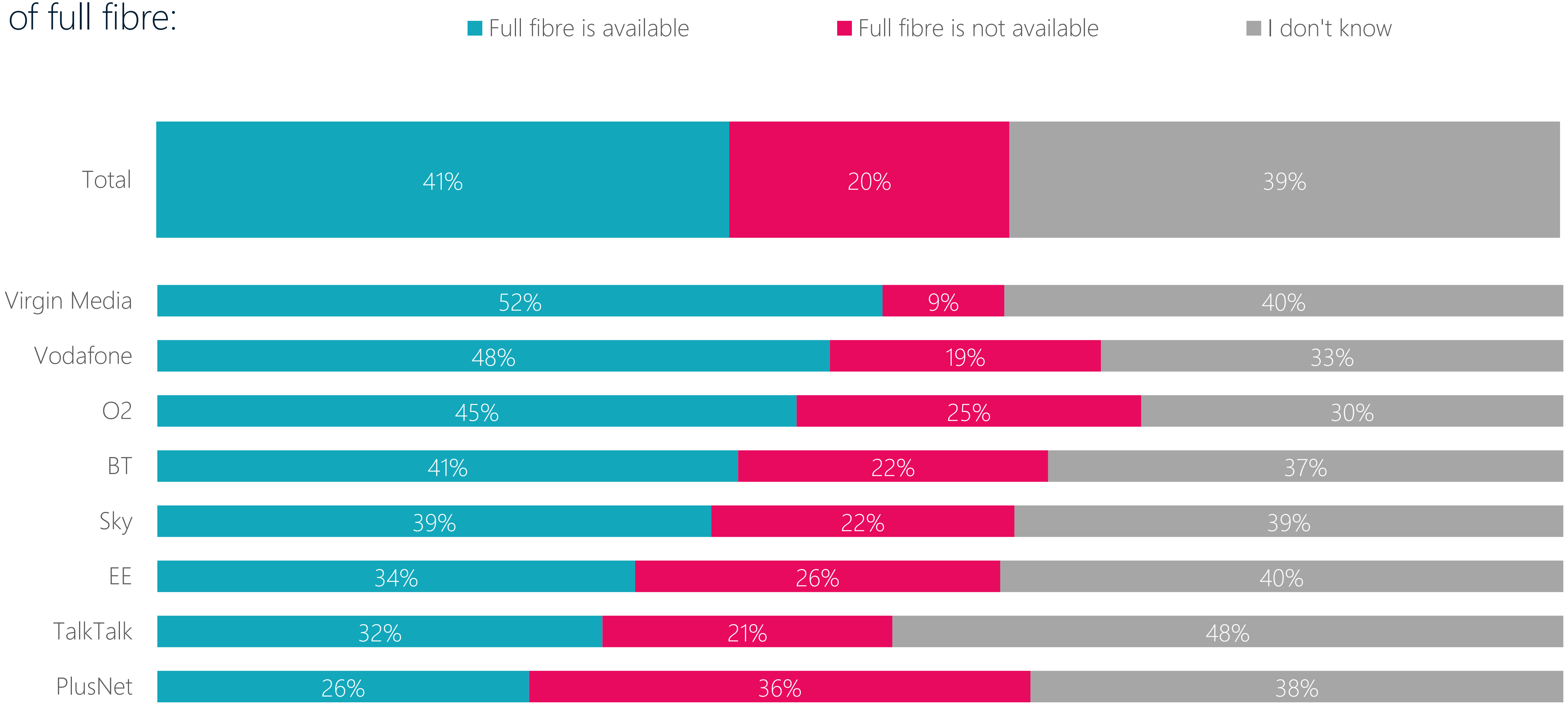



Context Consulting

Q: Are you able to receive full fibre internet at your home? Base: Total (n=3,001), Scotland (n=272), North East (n=155), North West (n=398), Yorkshire and the Humber (n=318), West Midlands (n=323), East Midlands (n=259), South West (n=255), South East (n=307), East of England (n=317), Greater London (n=397)

# Virgin, Vodafone and O2 customers are most likely to believe full fibre is available in their area

Availability of full fibre:





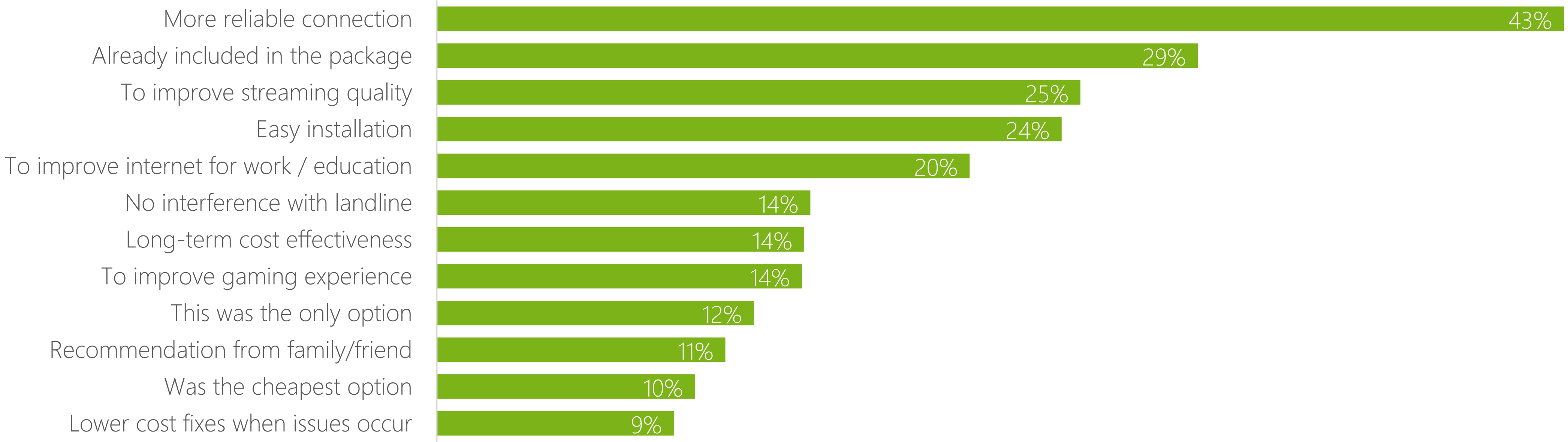

Q: Are you able to receive full fibre internet at your home? Base: Total (n=3,001), Virgin Media (n=449), BT (n=383), Sky (n=421), TalkTalk (n=230), PlusNet (n=192), EE (n=150), Vodafone (n=142)

# More reliable work education and streaming experience is wanted … but costs are an issue

# Reliability, streaming and work / education are among key reasons for selection of full fibre internet

## Is your internet a full fibre connection?


## Reasons to choose full fibre:



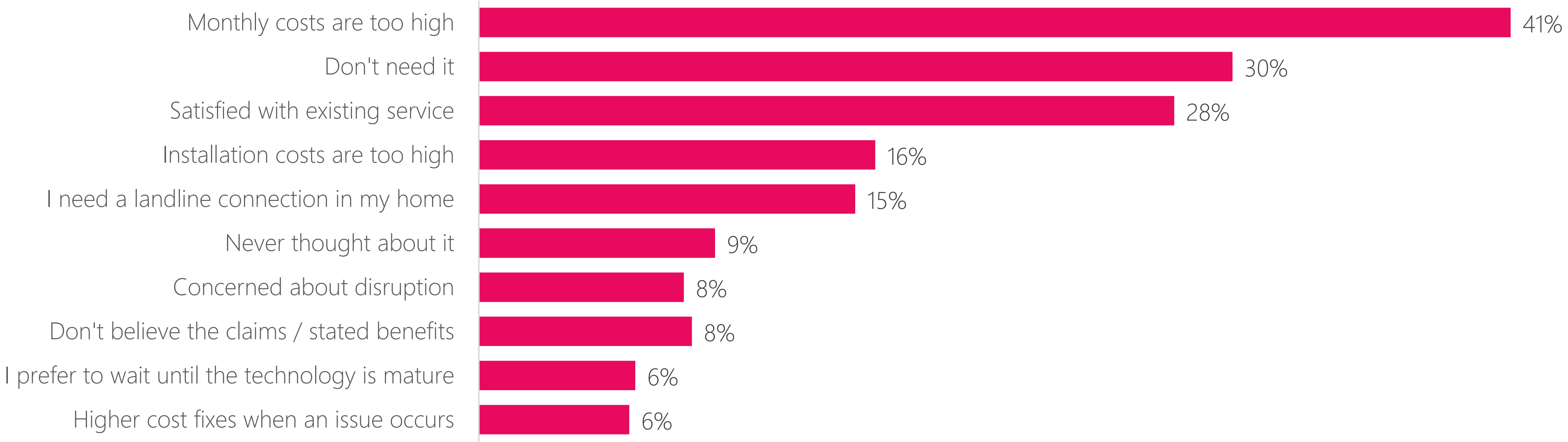

Context Consulting

Q: Is the internet service you use at home a full fibre connection? Q: Which of the following are reasons why you chose to purchase a full fibre internet connection? Base: Total (n=3,001), Fill Fibre (n=858)

# Costs, perceived lack of need and satisfaction with existing service emerge as the main barrier to full fibre adoption

## Is your internet a full fibre connection?


## Reasons to not choose full fibre:



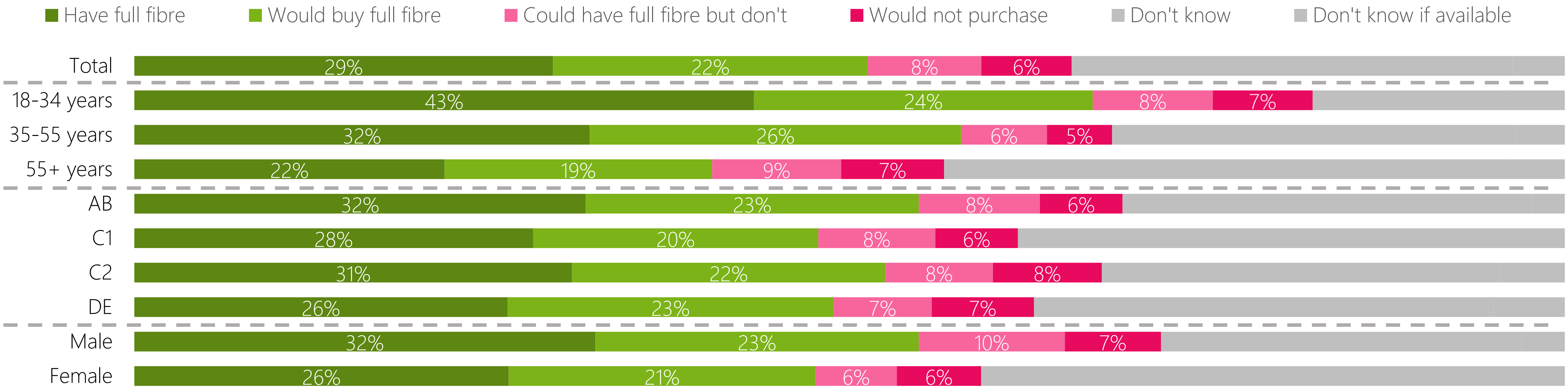

Context Consulting

Q: If you can get full fibre what are the reasons you have not moved to full fibre? Q: Is the internet service you use at home a full fibre connection?
Q: If you can get full fibre what are the reasons you have not moved to full fibre?? Base: Total (n=3,001), Not Fibre (n=243)

# Youngest groups most keen to buy full fibre, along with men overall

Is your internet a full fibre connection?


Would you purchase full fibre if it was available?




Context Consulting

Q: If you could get full fibre in your home, would you purchase it? Q: Is the internet service you use at home a full fibre connection? Base: Total (n=3,001), 18-34 years old (n=559), 35-54 years old (n=905), 55+ years old (n=1,537), Male (n=1,473), Female (n=1,525), AB (n=1,116), C1/C2 (n=1,289), DE (n=596)

# 5.

## Proposition Tests.

# We tested 11 propositions with consumers, and five of these were also presented to ISPs interviewed

Propositions Tested:

- Free Upgrade for 6m
- 2Gb Full Fibre
- Clean and Easy Install
- Family controls
- Enhanced Internet Security
- Assured Bandwidth

These propositions were also shared with ISPs (in slightly modified form)

- Internet Guru
- Wi-Fi Optimisation
- Weekend Install
- Guaranteed appointment
- Next Day Installs

These propositions were tested only in the consumer survey

Key Questions

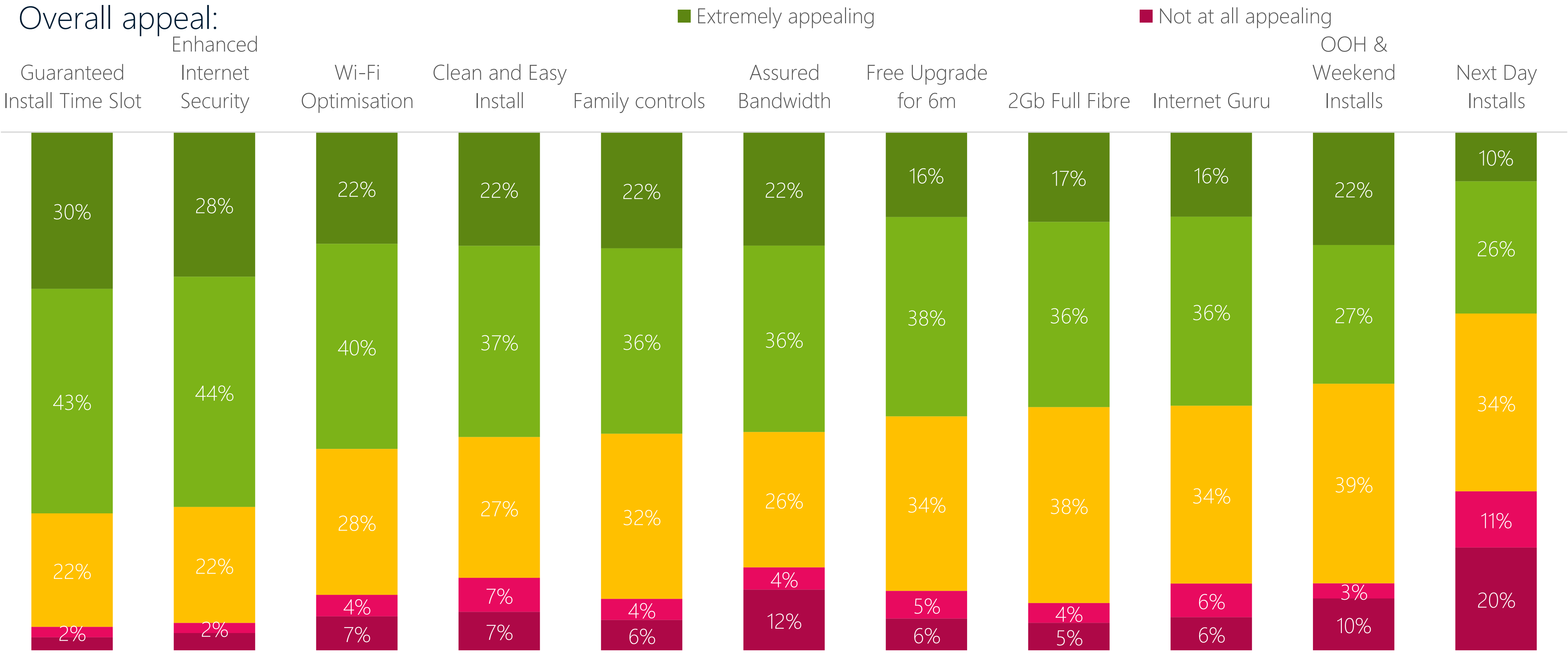
- Appeal
- Unpriced Purchase Intention
- Open Comments (+ve & -ve)
- Price Ladder

Context Consulting

# We interviewed a number of CityFibre's ISPs partners to get their views on the state of the market and reactions to a number of concepts

- **TalkTalk** – Stavros Karydis
- **Air Broadband** – Andrew Glover
- Fibre Hop – Paul Anslow
- Utility Warehouse – Simon Thompson
- HighNet / Brawband – David Alldritt
- SSE Energy Broadband - Lee Bartlett & Andy Pirie
- Giganet – Rob Baynes
- Marston's – Tony Ford
- Pure Broadband – Tony Jopling

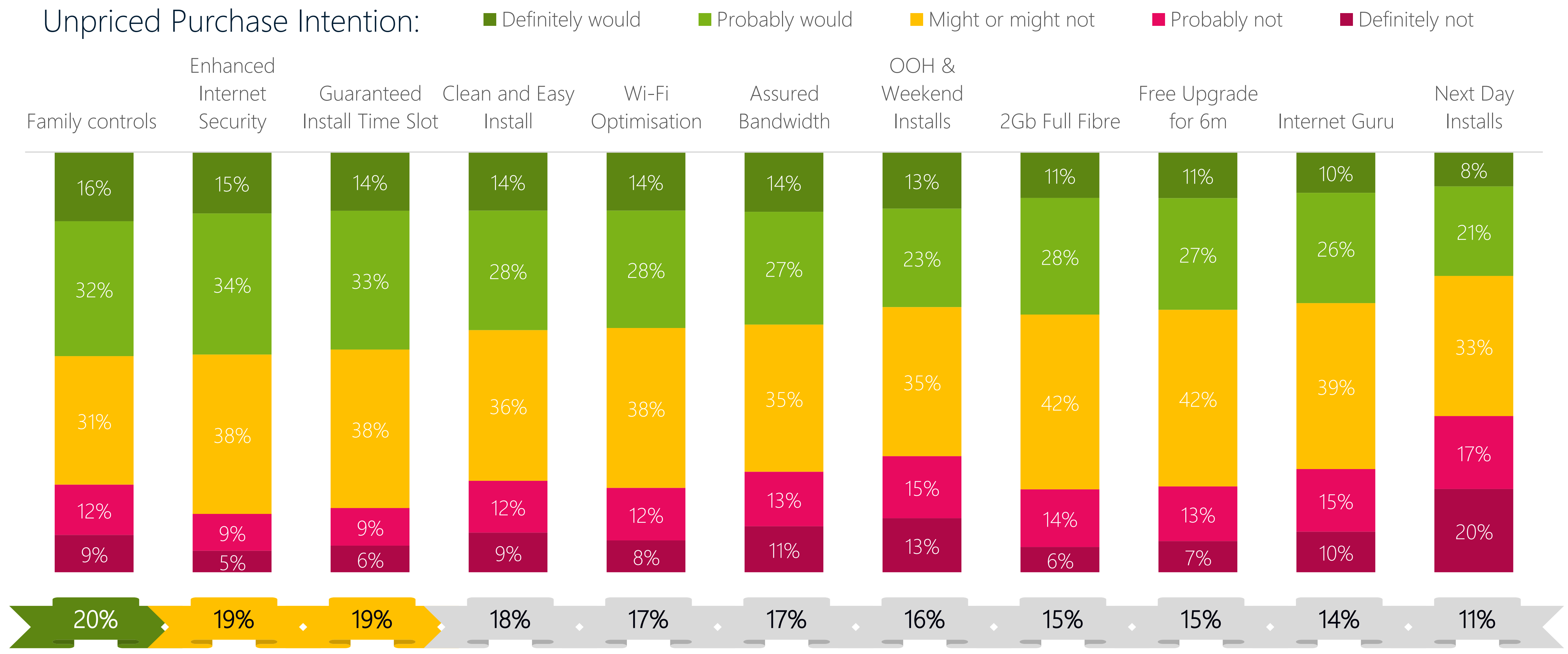
# Appeal of propositions varies considerably – Guaranteed Appointment, and Enhanced Security appeal strongest while Next Day Installs struggles




Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it. Base: Nothing to pay in contract (n=1414), Clean and Easy Install (n=1394), Next Day Installs (n=1406), Weekend appointment (n=1428), 2Gb Full Fibre (n=1417), Assured Bandwidth (n=1376), Enhanced Internet Security (n=1419), Wi-Fi Optimisation (n=1402), Family controls (n=936), Guaranteed Install Time Slot (n=1408), Internet Guru (n=1405)

Context Consulting

# However, unpriced purchase intent is strongest for Family Controls, with a weighted score of 20%, while Next Day Installs is least desired




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it. Base: Nothing to pay in contract (n=1414), Clean and Easy Install (n=1394), Next Day Installs (n=1406), Weekend appointment (n=1428), 2Gb Full Fibre (n=1417), Assured Bandwidth (n=1376), Enhanced Internet Security (n=1419), Wi-Fi Optimisation (n=1402), Family controls (n=936), Guaranteed Install Time Slot (n=1408), Internet Guru (n=1405)

# Appeal and relevance of a proposition is highly correlated, but being easy to understand doesn’t make ensure that the propositions is popular

## Proposition Metrics:

| | Appeal (NET) | Relevance (NET) | Easy to Understand (NET) | Supplier Preference (NET) | Unpriced PI (NET) |
|---|---|---|---|---|---|
| Free Upgrade for 6m | 43% | 28% | 55% | 34% | 15% |
| Clean and Easy Install | 45% | 32% | 70% | 39% | 18% |
| Next Day Installs | 5% | 4% | 70% | 6% | 11% |
| OOH & Weekend Installs | 36% | 10% | 76% | 27% | 16% |
| 2Gb Full Fibre | 44% | 28% | 57% | 33% | 15% |
| Assured Bandwidth | 42% | 31% | 72% | 36% | 17% |
| Enhanced Internet Security | 67% | 56% | 72% | 55% | 19% |
| Wi-Fi Optimisation | 51% | 36% | 67% | 39% | 17% |
| Family controls | 48% | 35% | 72% | 40% | 20% |
| Guaranteed Install Time Slot | 69% | 51% | 78% | 57% | 19% |
| Internet Guru | 40% | 31% | 71% | 35% | 14% |

The overlapping contracts is the most difficult for customers to understand

Next day and weekend installs are easy to understand but this does not mean they are attractive propositions to customers

Enhanced internet security and Guaranteed Install Time Slots the most universally appealing propositions

Although not the most appealing proposition “Family controls” may be seen as a necessity, as it has the highest unpriced purchase intent

Context Consulting

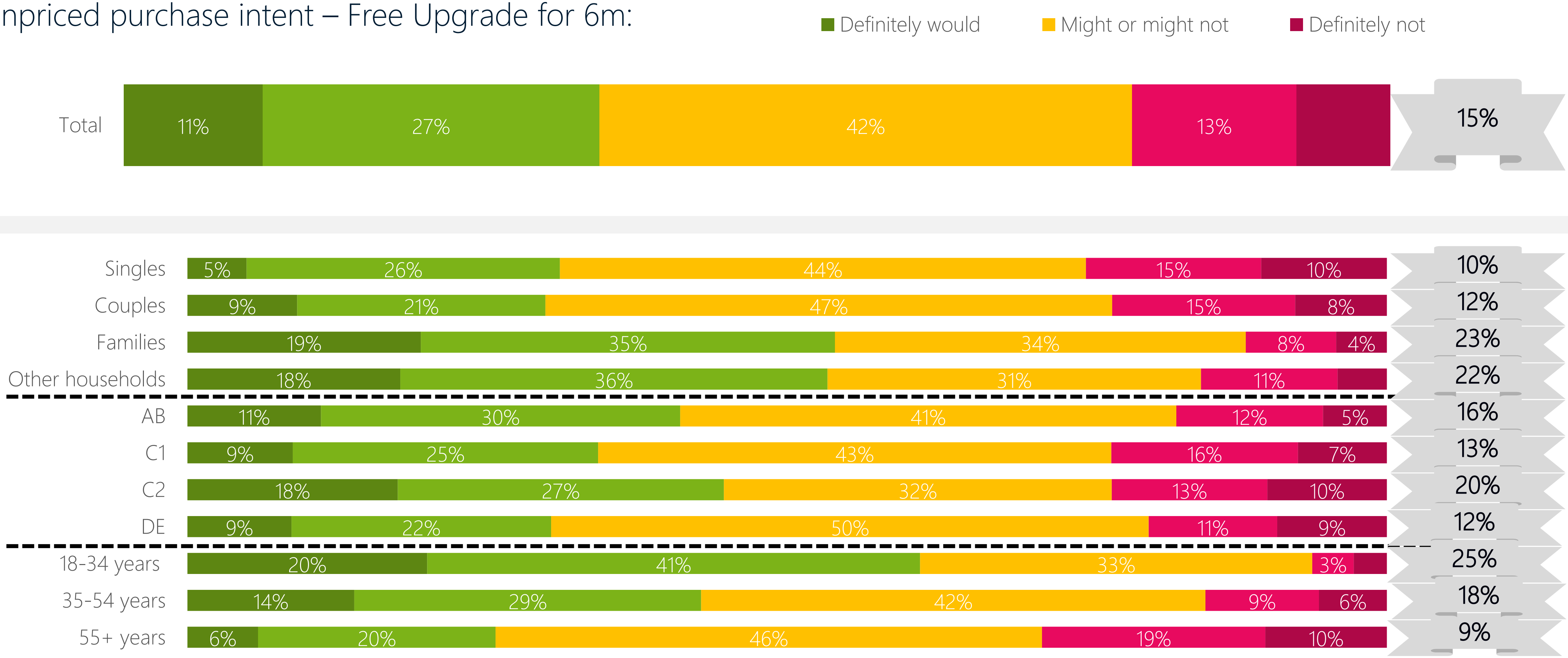
Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it. Base: Nothing to pay in contract (n=1414), Clean and Easy Install (n=1394), Next Day Installs (n=1406), Weekend appointment (n=1428), 2Gb Full Fibre (n=1417), Assured Bandwidth (n=1376), Enhanced Internet Security (n=1419), Wi-Fi Optimisation (n=1402), Family controls (n=936), Guaranteed Install Time Slot (n=1408), Internet Guru (n=1405)

# 5.1.

Free Upgrade for 6m.

# Free upgrade for three months is most appealing to younger customers especially those in families and larger households

Unpriced purchase intent – Free Upgrade for 6m:




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it? Base: Free Upgrade for 6m (n=1,414)

# Generally, well received by ISPs who feel it would work to drive uptake (to a degree)

## OVERVIEW

- Works well to take away a key perceived issue of consumer nervousness
- Can help toward the issue of inconvenience of installation, but doesn't irradiate it

## CONCERNS / ISSUES

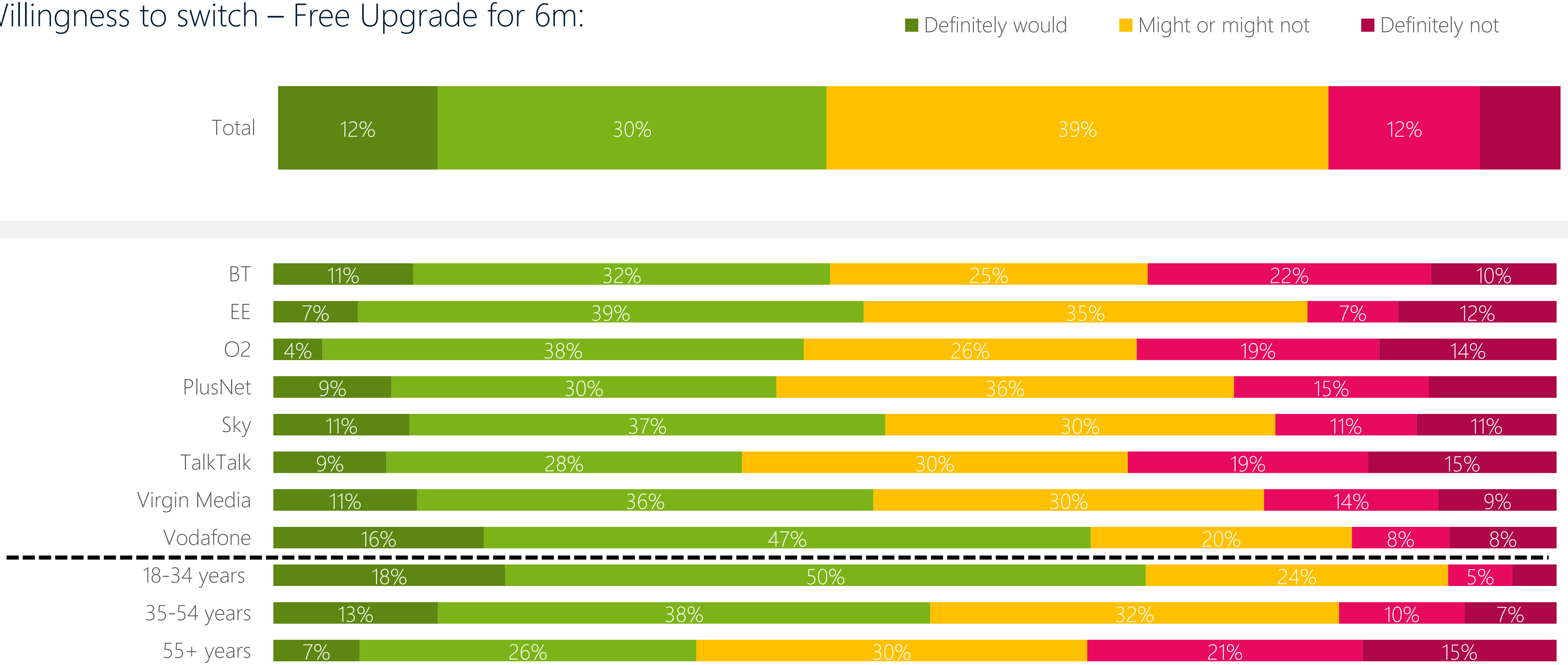
- What happens if the consumer doesn't want it after trial?
- Who pays for this?
- Will the customer know which provider is performing well?
- Concerns that many consumers are unaware of their contract status to engage
- Potential for technical issues:
  - Two routers side by side
  - Transfer phone number
- The proposition is not addressing consumers currently out of contract

## CONSIDERATIONS / OPPORTUNITIES

- A more simplified offer 3-6 months free
- Consumers will know without question how it is performing
- Offer consumers a certificate that their home is now FF ready

# Vodafone and Virgin Media customers are most willing to run concurrent contracts

Willingness to switch – Free Upgrade for 6m:




Context Consulting

Q: How willing would you be to sign up to a new service before cancelling your existing service, as outlined in this offer? Base: Free Upgrade for 6m (n=1,414)

# Customers want to try out a new connection without being committed to a provider, but some worry they would lose emails and other benefits

Open Comments – Free Upgrade for 6m:

Would let me see what speeds / level of reliability I could get without paying or being committed and being able to stay with my existing provider if I am not happy with the new supplier. I hate that I keep losing signal with Virgin Media. I can not change; I don't think I would get the same speed's anywhere else

I like it because it assures a smooth transition between one provider and another. A fear of changing providers is that I would have a period without internet, so this releases that fear

Have had a few switches where we try to time it so we're not paying out twice a month but it's always complicated! This is a useful benefit! I think a lot of people would love it

The thing most people worry about when switching suppliers is that the new one won't work as well as they hoped, and by the time it's installed it's too late to reinstate the old one

I think this would be really helpful, dipping your toes in and riding out your existing contract instead of paying frustrating fees to get out of your contact

The wording is very confusing and the thought of trying to run two services alongside each other is very off putting

I don't believe the proposition re the engineers fixing any problems because changing supplier means that ALL contacts would have to change their record of the household's email addresses

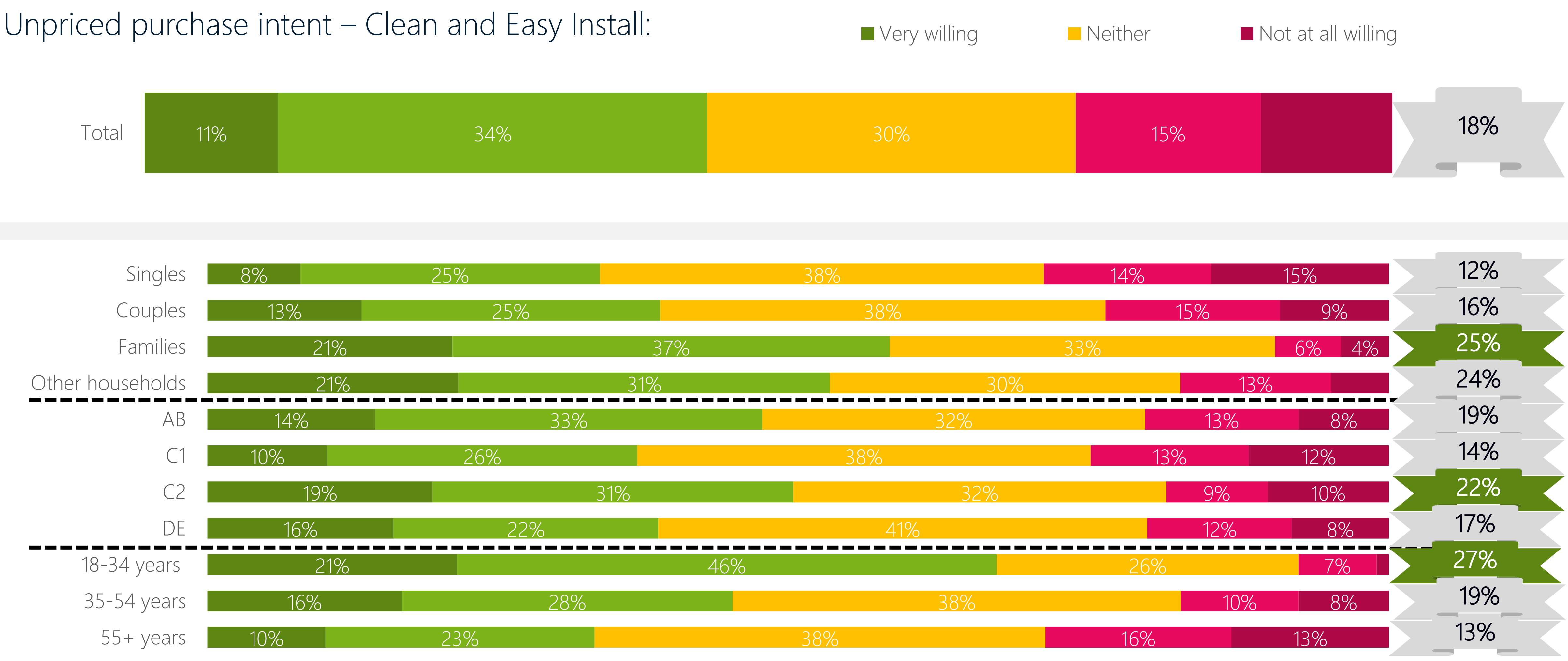
Unless it's with BT it's no good. All these other providers claim they offer XYZ broadband benefits, but at the end of the day they ALL use Openreach's local loop

If I changed my provider I would lose the benefit of having all my telephone calls free, which I get from Utility Warehouse because I have 4 utilities with them

# 5.2.

Clean and easy install.

# Younger customers, with lower install confidence, are significantly more likely to consider a Clean and Easy Install proposition




Context Consulting

Q: How willing would you be to sign up to a new service before cancelling your existing service, as outlined in this offer? Base: Clean and Easy Install (n=1,394)

# Whilst the sentiment is positive, many questions are raised by ISPs

## OVERVIEW

- Many ISPs feel installation concerns are a barrier
- However, there is concern that in highlighting it in this way merely feeds into the apprehension

## CONCERNS / ISSUES

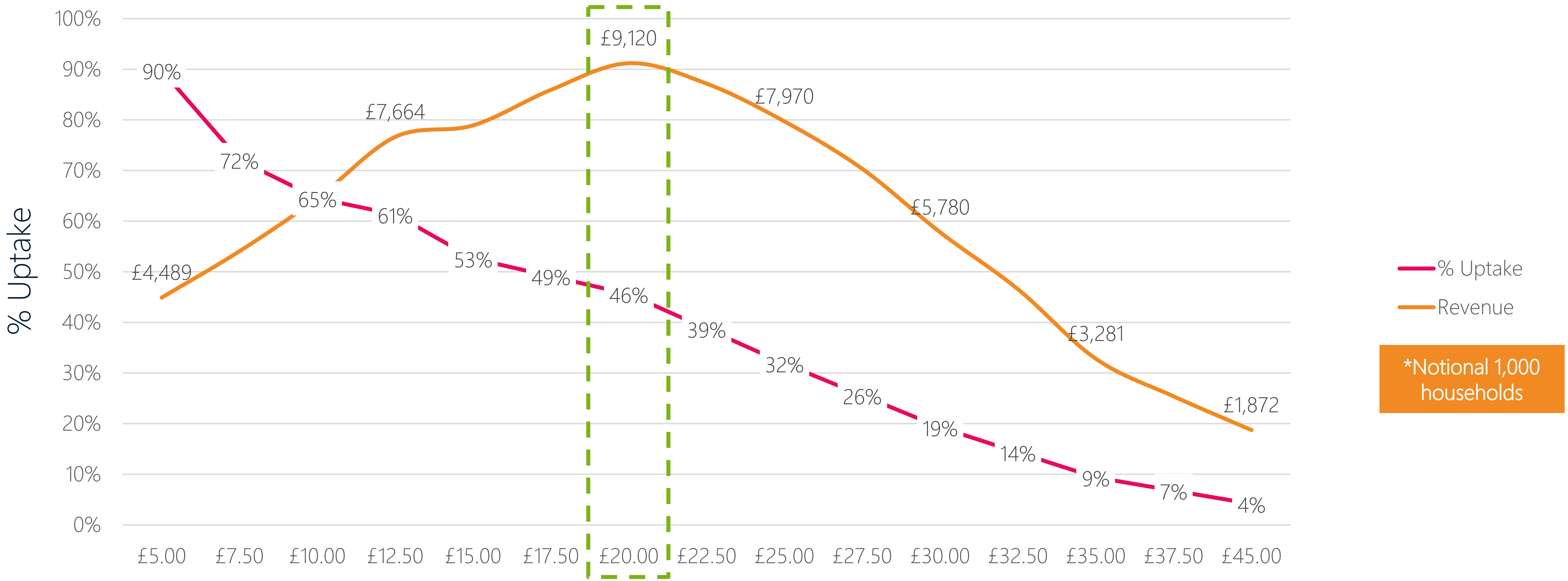
- Concern that this highlights a negative i.e. 3 hours potentially off-putting to consumers
- What happens if it takes longer?
- Who communicates and owns it? And how much control will ISPs have?
- Could be seen as just 'marketing' unless you genuinely optimise router location etc.
- Syncing router connection and installation is challenging
- Consumers unlikely to pay

## CONSIDERATIONS / OPPORTUNITIES

- Suggestion it must deliver more 'added value' to differentiate
    - E.g. mesh networks
- Could be more powerful as a moving home proposition
    - Albeit limiting the target audience significantly

# Clean and easy install would be most profitable if it was priced around £20-£25

Pricing analysis - Clean and Easy Install:




Q: 103 Would you consider paying for this service if it was priced at [£]. Base: Clean and Easy Install (n=1,394)

# Appeal for this service depends on the homeowner's confidence with tech and connecting new devices, otherwise it is seen as an inconvenience

## Open Comments – Clean and Easy Install:

Good attention from the provider, making sure that all my tech devices are set up correctly and running. The personal touch of the engineer and making sure that full fibre is installed to the highest standards

The fact that the providers will connect everything to the Internet and check its working before they leave is a bonus because then you have a clear piece of mind about whether things are working or not.

It would seem like a good service, setting it up and advising on where the best spots are for coverage etc. Input of alarms is good too and the mess is cleared up

The promise that everything will be put in full working order so I shouldn't need to spend ages on the phone when I need advice on setting up a new system

The offer is that the engineers will ensure that everything is setup properly and working. They would also ensure that I understood what was going on

My connectivity needs are fairly basic as regards devices and, with 35+ years of experience with computers and a quarter of a century of the internet, I can usually sort any issues myself, with the help of online info. That fits my way of working better than having an engineer visit for up to three hours

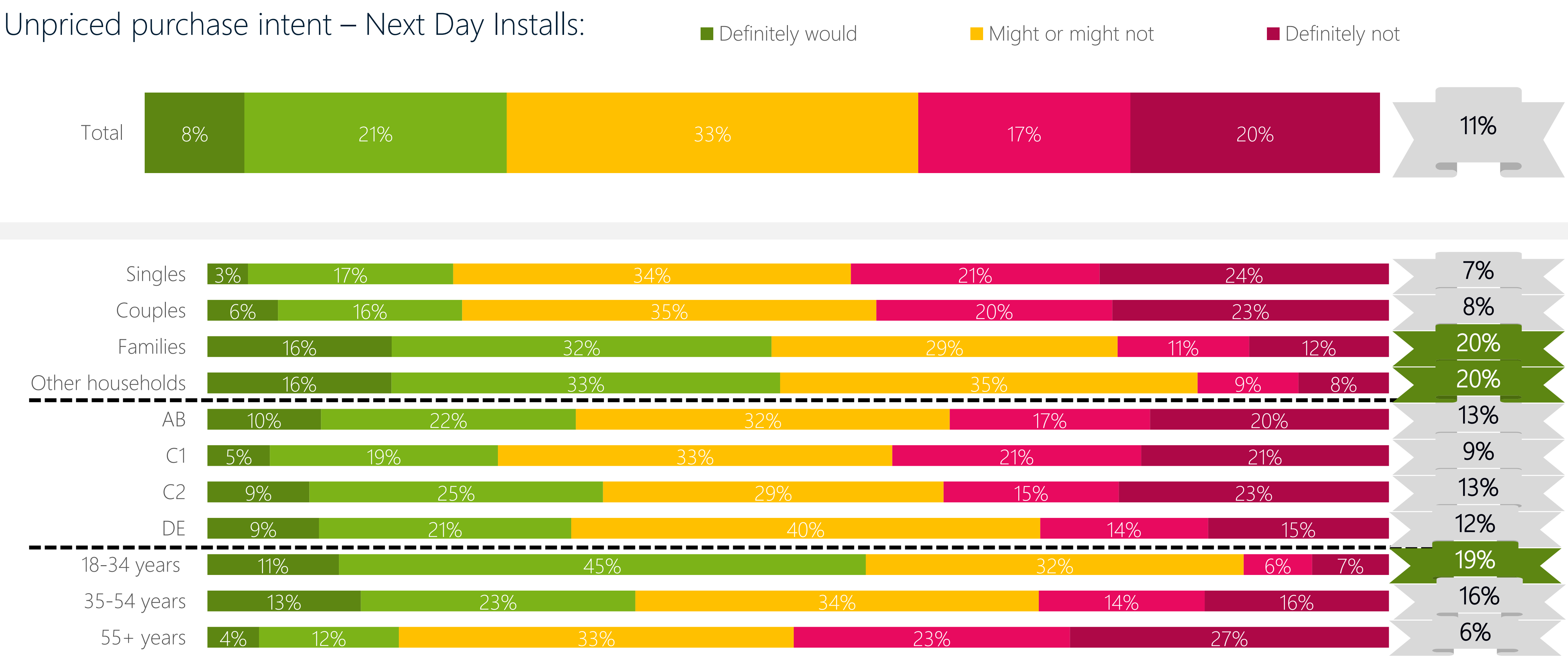
Spending 3 hours in my house during the Covid-19 pandemic - are you trying to kill me? You say engineers will ensure that all your equipment and devices are set up correctly but then later on say provide advice on how to connect devices which is it are they doers or advisers?

I do not require full fibre; it follows that I do not want a bunch of engineers tramping around my house in order to install it. The assurance that they will 'make sure any mess has been cleared before they leave ...' is not reassuring!

# 5.3.

## Next day installs.

# Busy family household would be most likely to consider a next day install but most are uninterested in this proposition

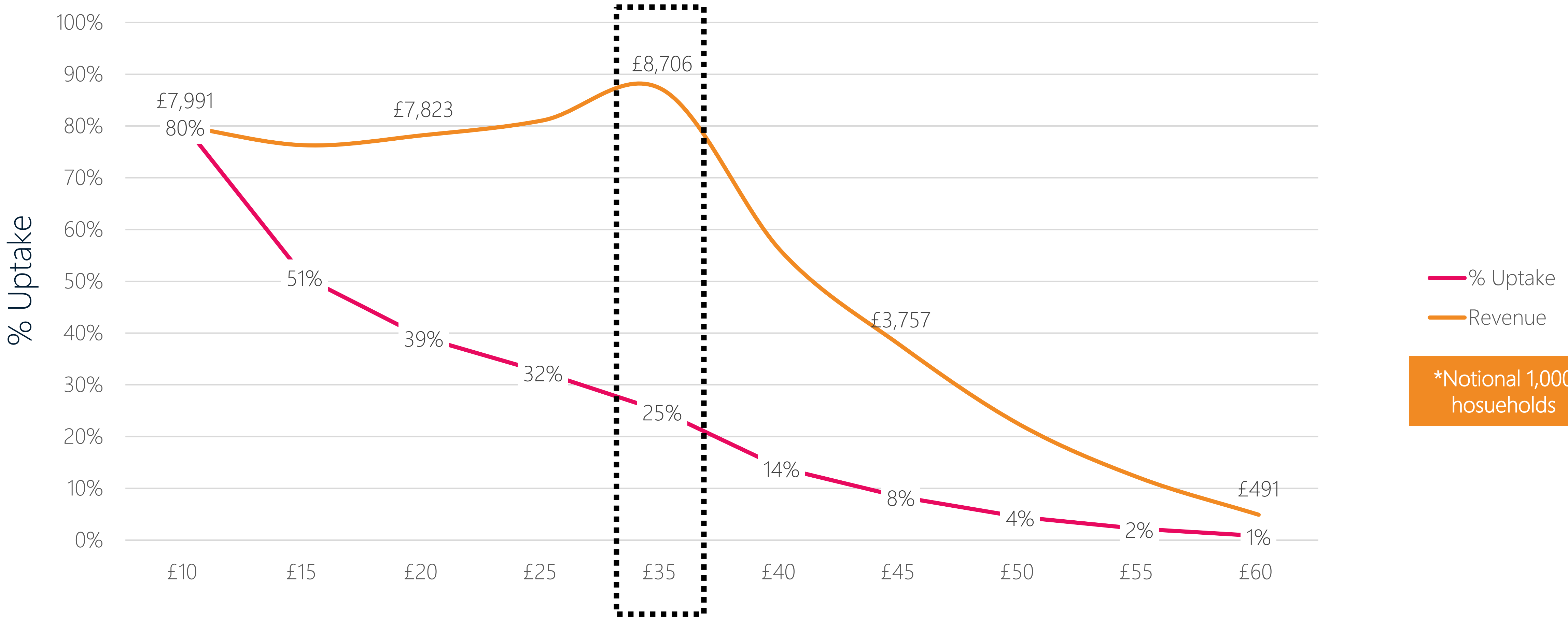



Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it? Base: Next Day Installs (n=1,406)

# £40 is deemed too much for a next day install, with the most profitable price point being under this

Pricing analysis – Next Day Installs:




*Notional 1,000 hosueholds

Q: 103 Would you consider paying for this service if it was priced at [£].

# Paying for a next day install is seen as 'jumping the que', but would be an option if people were without internet for a week

## Open Comments – Next Day Installs:

If my existing internet connection would remain in service, I would be prepared to wait the 6 days, but I would buy into this if I would otherwise be without the service for 6 days

It would be useful for some situations but mostly 6 days would be acceptable as you would still have your existing installation

Seems a reasonable  time frame to install Internet. If I needed it quickly I could pay to have it quicker.

6 working day lead time seems a bit long, but, if the premium is small enough, next day is a lot better.

The whole concept of you pay more to push in front of people is the divisive way that things work in this country. I would guess the delay is also deliberately engineered to get extra money, I wouldn't go near a company that did this

Small premium probably isn't that small. What happens if you pay for next day but it isn't installed successfully do you get a refund and compensation? Is there a guarantee it'll be done next day and does that include installation on a Sunday if you order on a Saturday?.

The installation of full fibre would generally not be a matter of urgency, thus I would be prepared to wait for 6 working days rather than pay an additional premium. I also dislike the concept of 'queue jumping' as a consequence of payment.

I don't like the idea that if you have extra money available you can jump the queue - not everyone can afford to do that. If there are slots available for a 'small premium' then you should use them to reduce the 6 day install time.

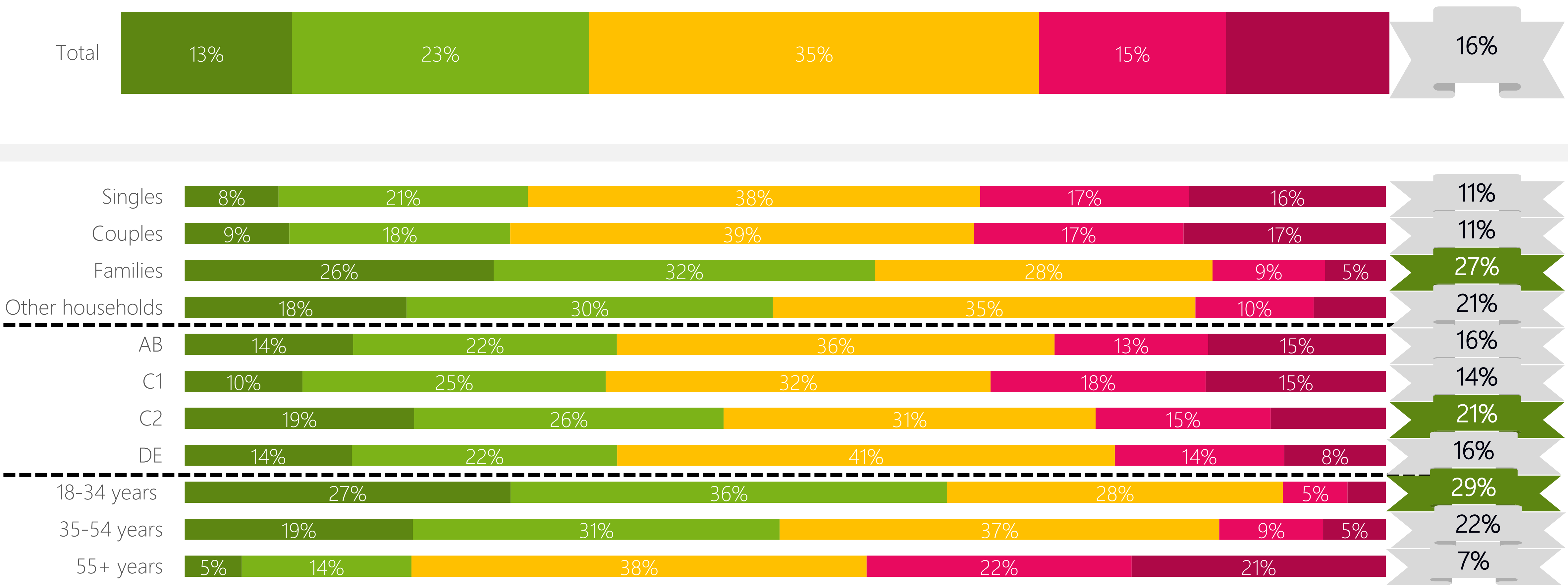
# 5.4.

## OOH & Weekend Installs.

# Young professionals and busy family households would appreciate OOH or weekend install but it fails to interest older customers

## Unpriced purchase intent – OOH & Weekend Installs:

Definitely would    Might or might not    Definitely not

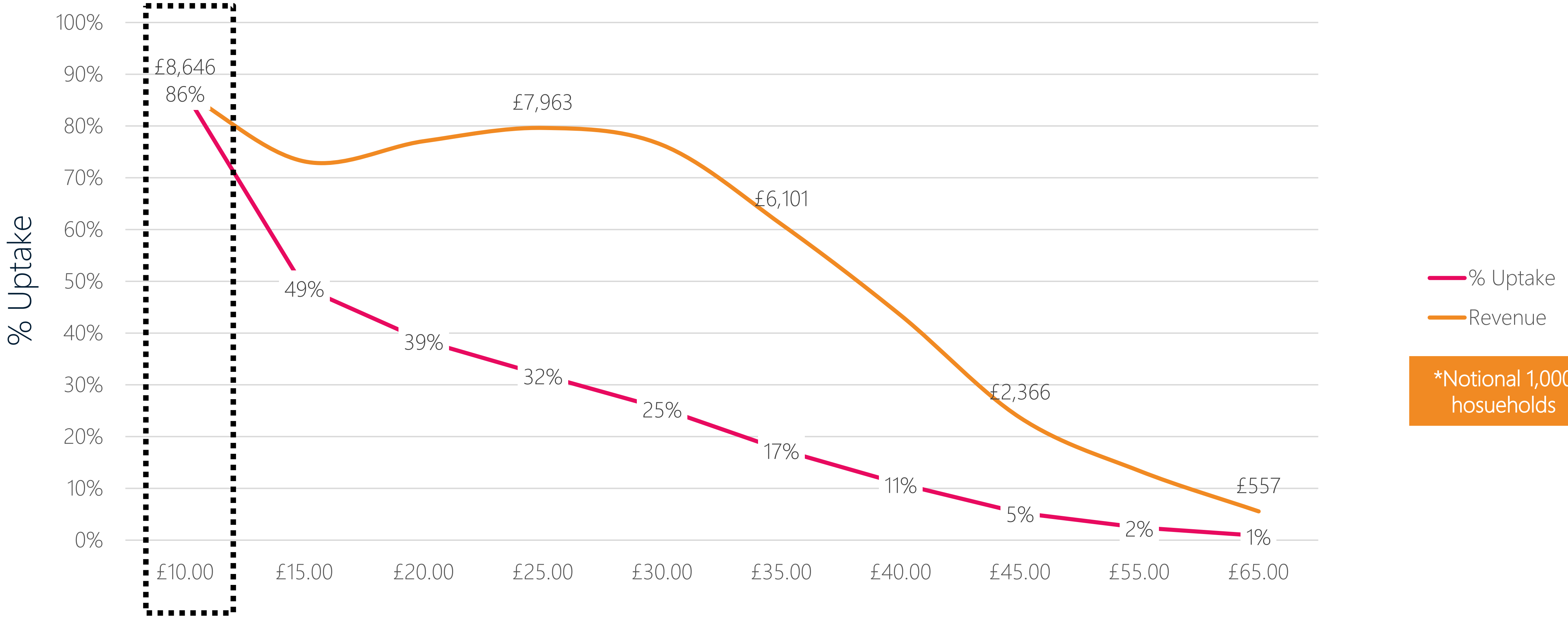



Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# The optimal price point to generate the most revenue for a OOH or weekend install is between £20 and £30 … or just £10!

Pricing analysis – OOH & Weekend Installs:




*Notional 1,000 hosueholds

Context Consulting

Q: 103 Would you consider paying for this service if it was priced at [£].

# Appeal for weekend installs depends on individuals working needs

## Open Comments – OOH & Weekend Installs:

The obvious is I don't lose a day's wages or a paid holiday however if this was an option then there would be massive delays with fibre installations nation wide as surely everyone can't get their services installed over a weekend

I like it but it's not essential, husband is an IT consultant working from home so weekdays would potentially have a big impact on his working day. There is an option he could go into the office to work if necessary but not ideal

It is a good idea but I suspect it will cost more. it is the usual assumption that people work Monday to Friday.  In the real-world people actually work outside these times

Hate companies that insist on you taking a whole day off work to wait in for an appointment that only takes place in office hours a they refuse to give a time for it.

It would be handy as last time I took a morning off work for installation the rubbish engineer arrived late and then spent far longer than he was supposed to

I don't work and want to do things at weekend like visiting relatives who work during the week. Don't want to be disturbed too early or in the evening

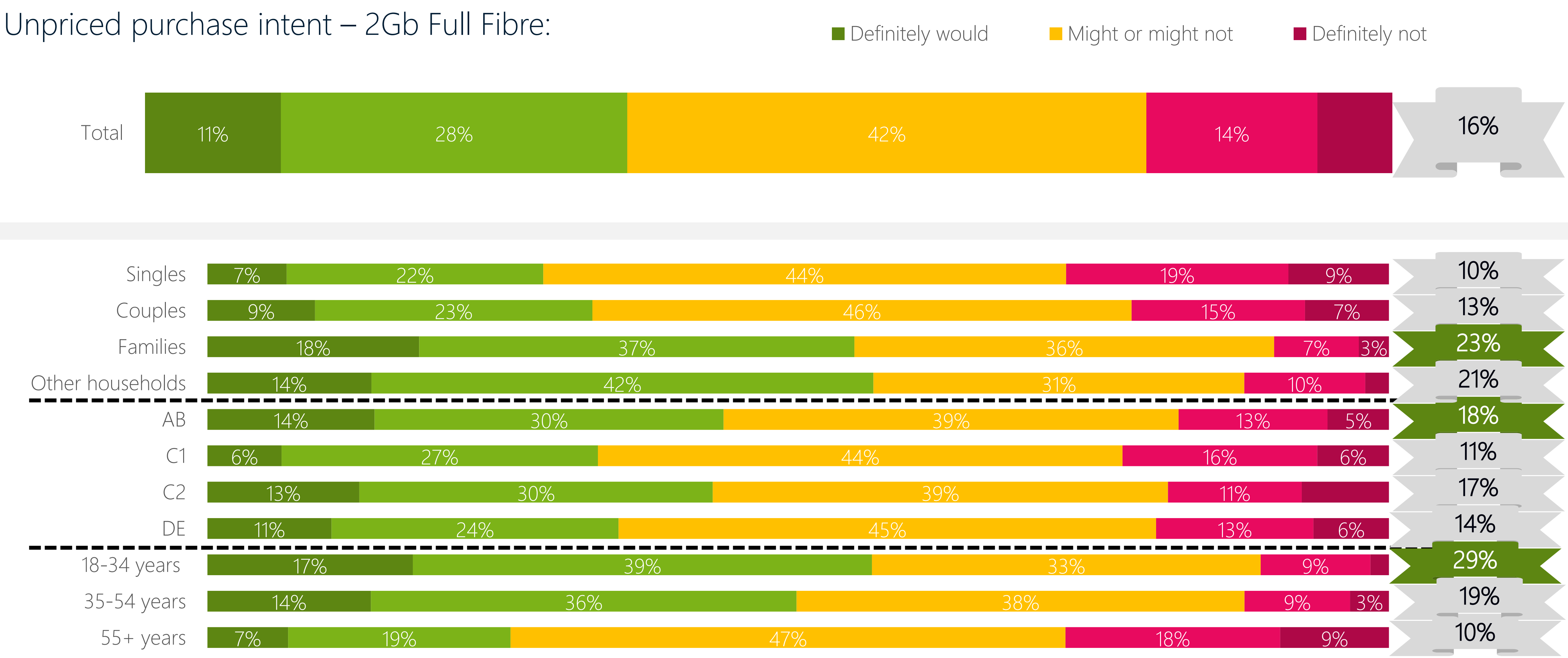
It's of no benefit for me currently, as I'm not currently employed, so I am at home most days at the moment

I am retired have all the time in the world to await an engineer so have no need for this service

# 5.5.

2Gb Full Fibre.

# Larger households are most likely to consider a 2Gb connection




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# Invariably felt to be ahead of its time for ISPs, possibly relevant in 2-3 years

## OVERVIEW

- Ultimately it was felt to be something one of the big guns (e.g. Virgin Media) will do first and the market will follow

## CONCERNS / ISSUES

- Too niche to warrant spending time and money to market
- Some even feel this is simply impossible to offer
    - i.e. heavily reliant upon routers etc.
- Expectation that target consumers will likely speed test frequently and if not precisely 2Gb will raise concerns

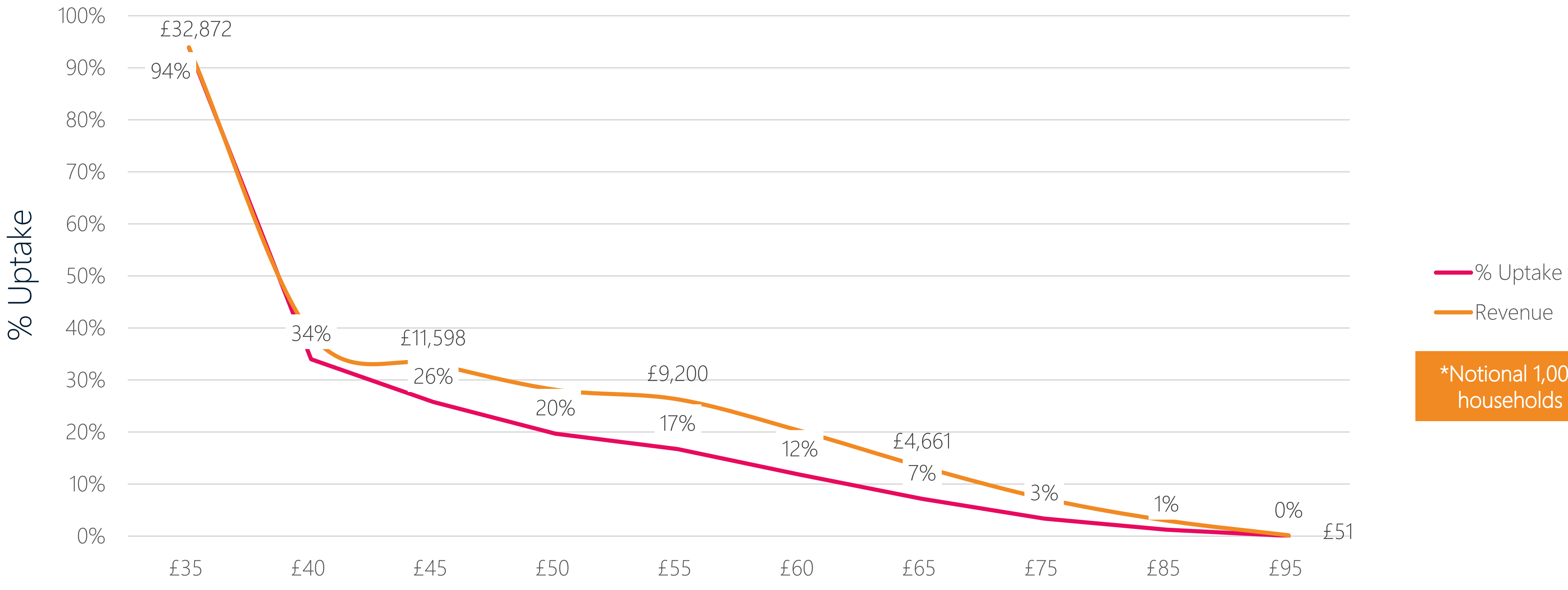
## CONSIDERATIONS / OPPORTUNITIES

- Potential as a business proposition at present

Context Consulting

# If a 2GB connection was offered cheaply at £35 the majority of customers would take it, however demand drops steeply above this price point

Pricing analysis – 2Gb Full Fibre:




*Notional 1,000 households

Q: 103 Would you consider paying for this service if it was priced at [£].

# Customers appreciate that they would rarely need the full bandwidth of a 2GB connection, but sometimes it could be useful for uploading

Open Comments – 2Gb Full Fibre:

I would rarely require this speed either for download or upload; and, while it might be nice for downloads, it's not vital though it would allow me to continue with other online activities without fear of slowing down the download or dropping the connection. But for occasional large uploads - required for a part time hobby-business - this would be very valuable

If it was as reliable as the advert suggests it would be worth considering, but I've never yet found an ISP that didn't suffer from the occasional slow speeds or outage

Streaming true 4K on multiple screens wouldn't be an issue. You will obviously have more than what you need however downloading videos would be awesome!

As the amount of bandwidth required to access certain features seems to increase exponentially this looks reasonably future proof

We don't need this speed.  We were happy with BT at 36Mb, Moving to Virgin at 50Mb made no noticeable difference and the speed was subsequently increased by Virgin at no extra cost to 100Mb, again with no noticeable difference

It would be too expensive and I don't need such a fast speed, a limit of 20 or 30Mb would be fine for our uses

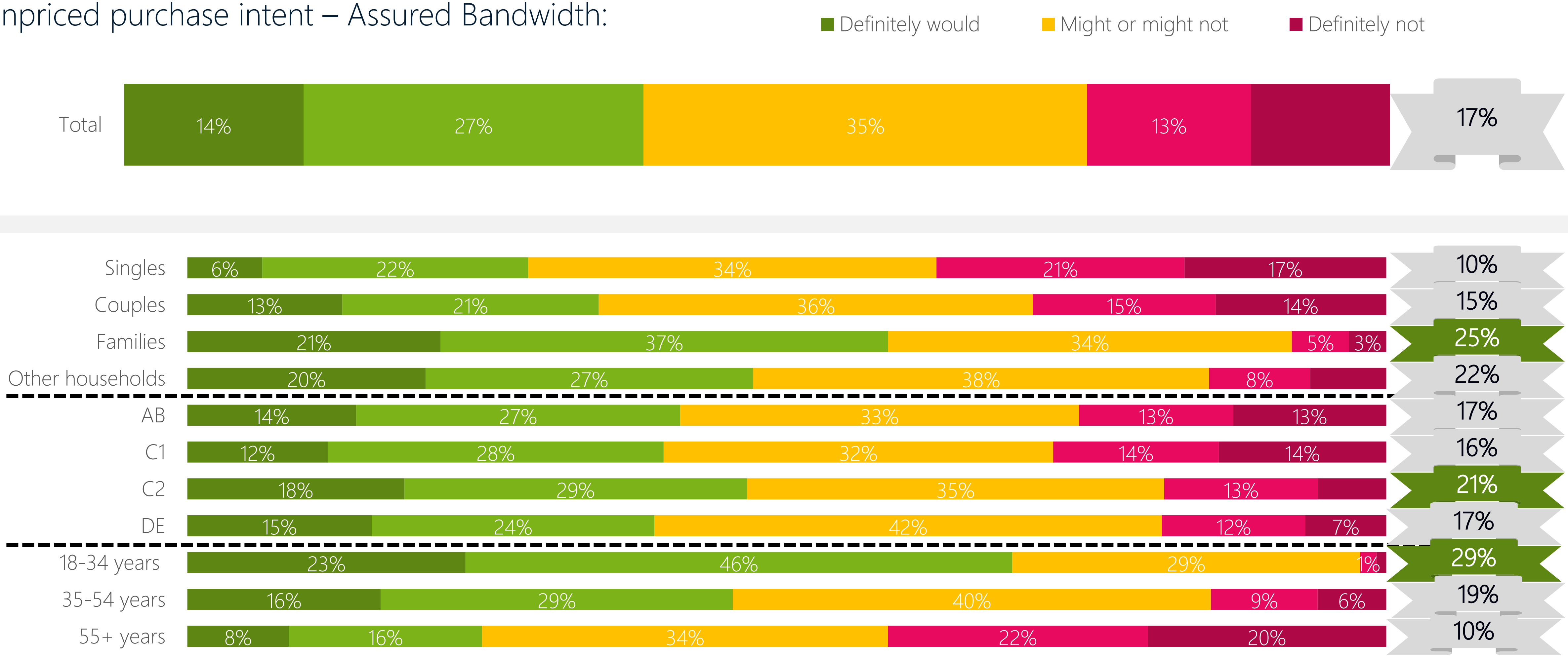
Not enough / Only 2GB / Too low a speed

# 5.6.

## Assured Bandwidth.

# Interest for an assured bandwidth for streaming and gaming unsurprisingly peaks for the youngest customers

## Unpriced purchase intent – Assured Bandwidth:




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# Considered to be too niche to drive uptake for ISPs

## OVERVIEW

- Too niche to drive uptake or be of major interest in general

## CONCERNS / ISSUES

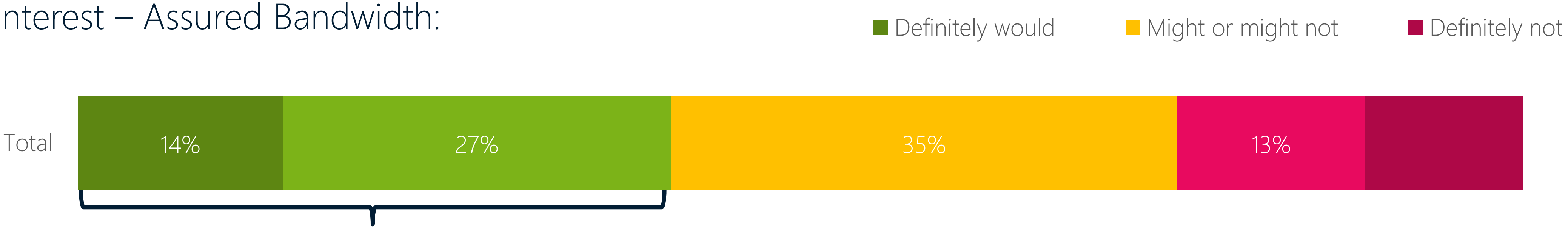
- Questions concern the need for different routers for this to work
- Some worried that this would sit at odds with the key message that the industry must communicate i.e. that full-fibre is the best possible connection
- Therefore, adding to the confusion of consumers understanding
- Some view that certain providers are more in control of this than networks e.g. the Netflix platform controls this rather than the network

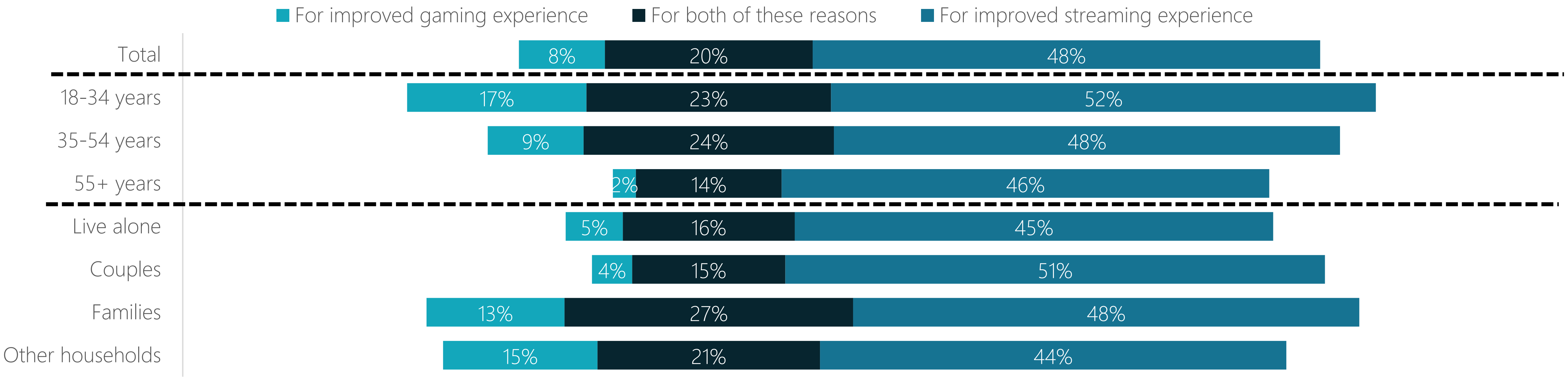
## CONSIDERATIONS / OPPORTUNITIES

- POTENTIAL IDEA – Offer a paid for home network boost for 1+ week e.g. from 100mps to 500mps for holidays (when family are visiting)
- Working to help showcase the benefits of full-fibre

# Streaming is much more popular than gaming, and should be the focus of the assured bandwidth proposition

Area interest – Assured Bandwidth:




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?
Q: What specifically draws you to this service?

# If customers have experienced slow buffering, they see the value this could bring, although this doesn't stop all potential service problems

Open Comments – Assured Bandwidth:

Now and then on a Saturday night when the neighborhood is all streaming or watching footie - Prime or Netflix refuses to load so we give up and watch cable or something we have recorded

Avoids buffering and dropouts due to internet connection although these aren't common, most issues seem to be with the streaming service

We very rarely have a drop out of services and when we do, it is often their end so I would want to know that a few supplier would be as good as my current supplier

It is good so that you can watch it throughout and not get buffering or issues where it stops and you need to restart the TV to get the programme working again

There is nothing more annoying than an internet connection download speed is not fast enough to keep up. Overcoming this problem would be a bonus

I am not a gamer, and I don't stream content, apart from on YouTube, which never drops out for me anyway. So, the above is quite irrelevant to me

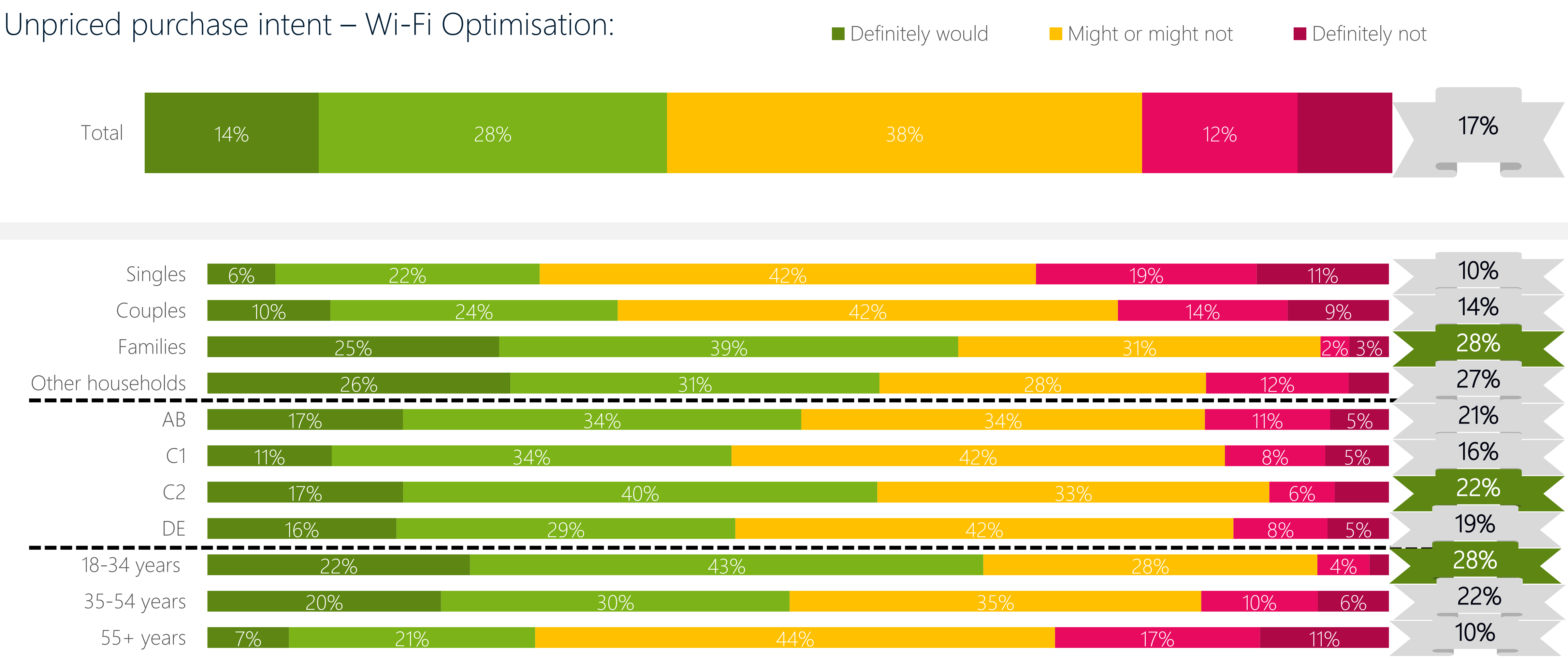
I don't find any problem at all with streaming services so wouldn't feel the need for this solution

I don't need this, as I don't currently have any dropouts or dips in speeds that I notice

# 5.7.

## Wi-Fi Optimisation.

# Larger households would be the most likely to consider the Wi-Fi Optimisation concept




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# Routers are understood to be an important part of the delivery of home broadband but only relevant for larger households

## Open Comments – Wi-Fi Optimisation:

It is important these days to have a good reliable router. Connection to the home can be as great and fast as possible, but unless you have a good router it is useless. That is why I have my own router and do not use the providers one

We do not have WiFi extenders because we manage to get a few bars of signal upstairs, and they did not come included with our package… but if I was offered some I would happily accept in order to get full signal in other rooms

My main reason for liking it is because it is up-to-date and provides all the latest technology to ensure you have the best available

I always experience one or two members of the family can't get on the internet because someone is downloading a game on the internet

Availability of internet wherever I am in the house. But to be honest my house is small and I currently have that already anyway.

Not required for my small flat, routers should have good range as standard, rather than working appropriately being considered a special feature.

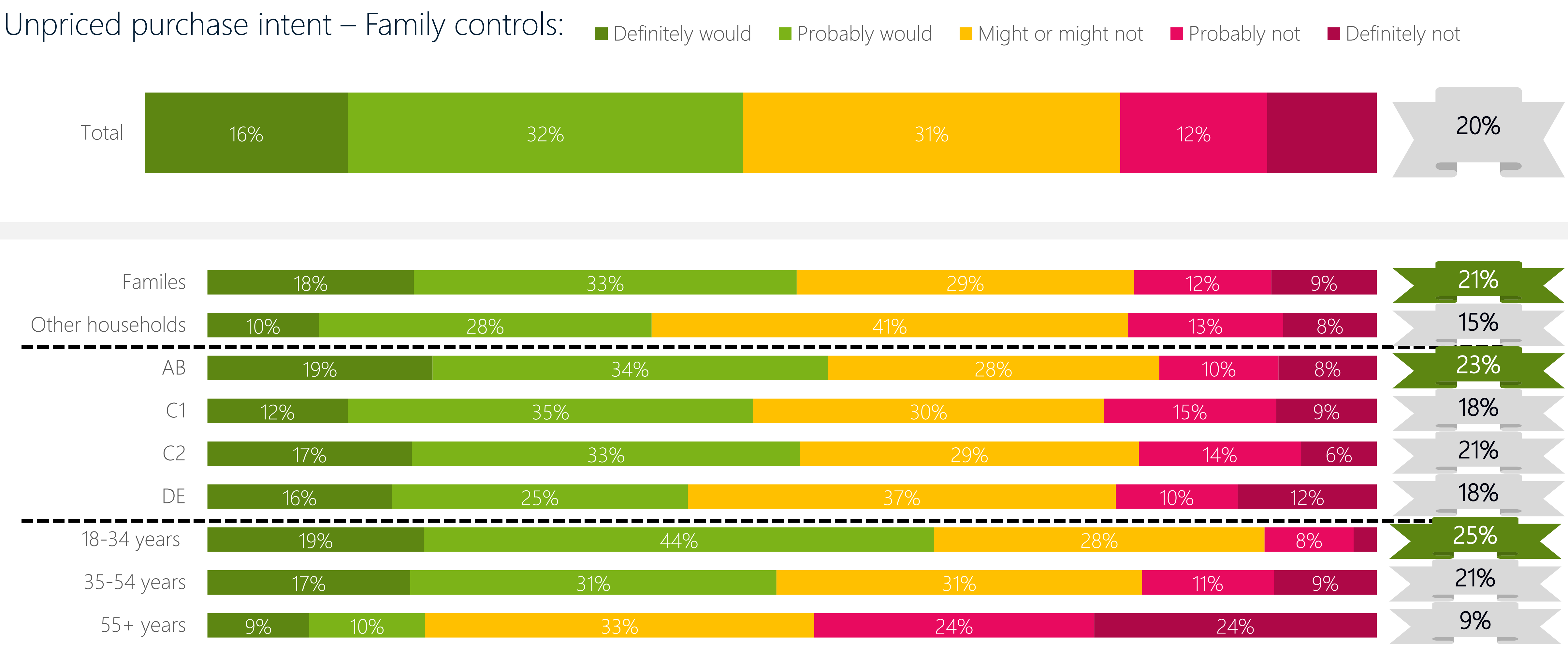
Not relevant to me. I've never had any problems connecting to the internet around my home with the one router I have

Getting complicated and I need an app - what if I cannot connect to access the app?

# 5.8.

## Family controls.

# The *Family Controls* proposition has strongest appeal among younger and more affluent households




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# Family controls and security felt to be an ISP space and one they are already on top of

## OVERVIEW

- Invariably felt to be an ISP space rather than CityFibres

## CONCERNS / ISSUES

- Most ISPs currently offer or simply include as part of their service
- Unlikely to drive uptake
  - Seen more as a nice to have or indeed as a mechanism to choose one provider over another
- For many ISPs there is a view that consumers simply expect it to be free and do not see it as particularly exciting

## CONSIDERATIONS / OPPORTUNITIES

- To drive uptake, it must work harder
- Go beyond ISPs offering and work toward something that will entice consumers to consider full-fibre over their existing 'cheaper' broadband

Context Consulting

# Controlling children's access to the internet is viewed as important, how this works in practice is the only concern

## Open Comments – Family controls:

If there is the ability to customise security settings between users (is it the gadgets?) that would be great - we have removed the security settings at WiFi connection because it would block our usage as adults, and we just install settings on our children's gadgets, but I'd be interested in one that comes with the internet connection too (as it would be more difficult for kids to get around!)

This is very benifical to me with having 2 young children this means that I am able to set boundaries over their Internet usage and know exactly what they are getting up to etc… It also means I can turn things off when I need to so that they don't spend too much time

I like being able to manage content and will do this in the future when my son is at an age to use technology

I like that I can limit the internet for the children. I think it is safer for them if their time is limited.

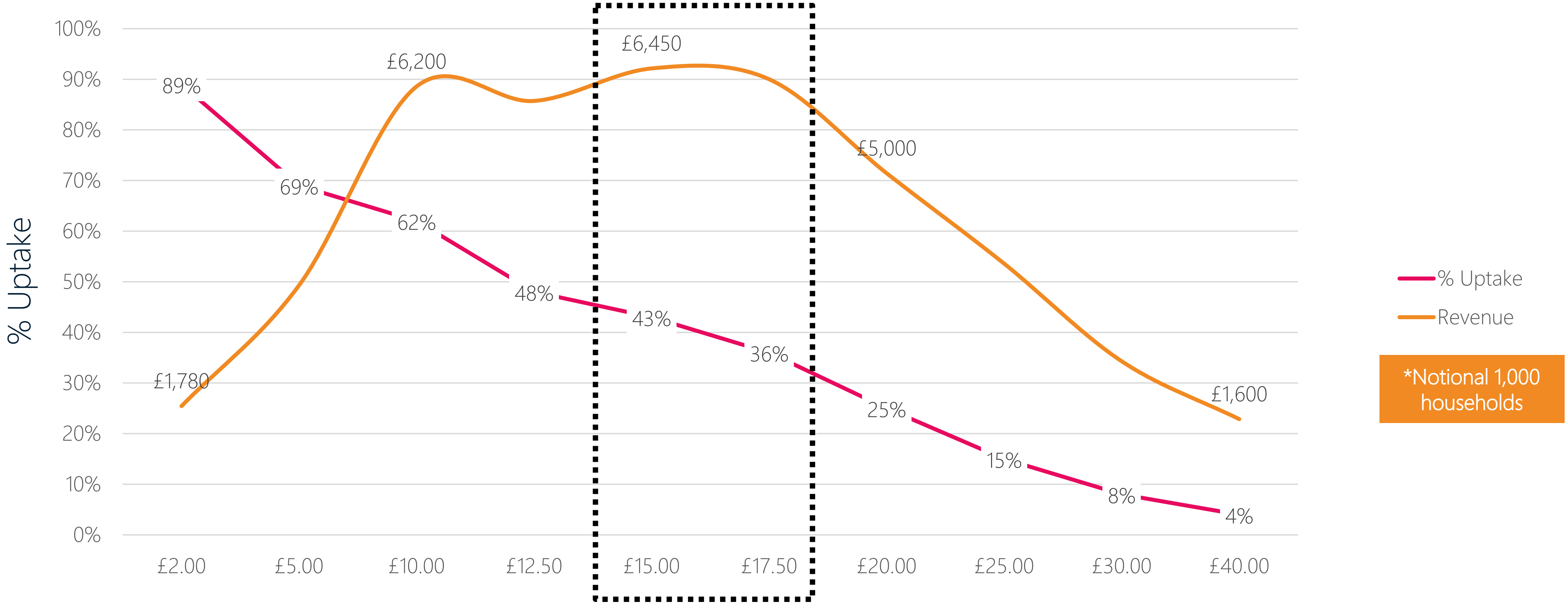
In our home we don't have setting limits because kids can be at home schooling online

The price. I already pay a fee for services so not prepared to pay additional fees

My kids can access everything in my house, no parent controls needed

# Family controls would be most profitable when price at £15 a month, although a minority would pay up to £40

Pricing analysis - Family Controls:




Context Consulting

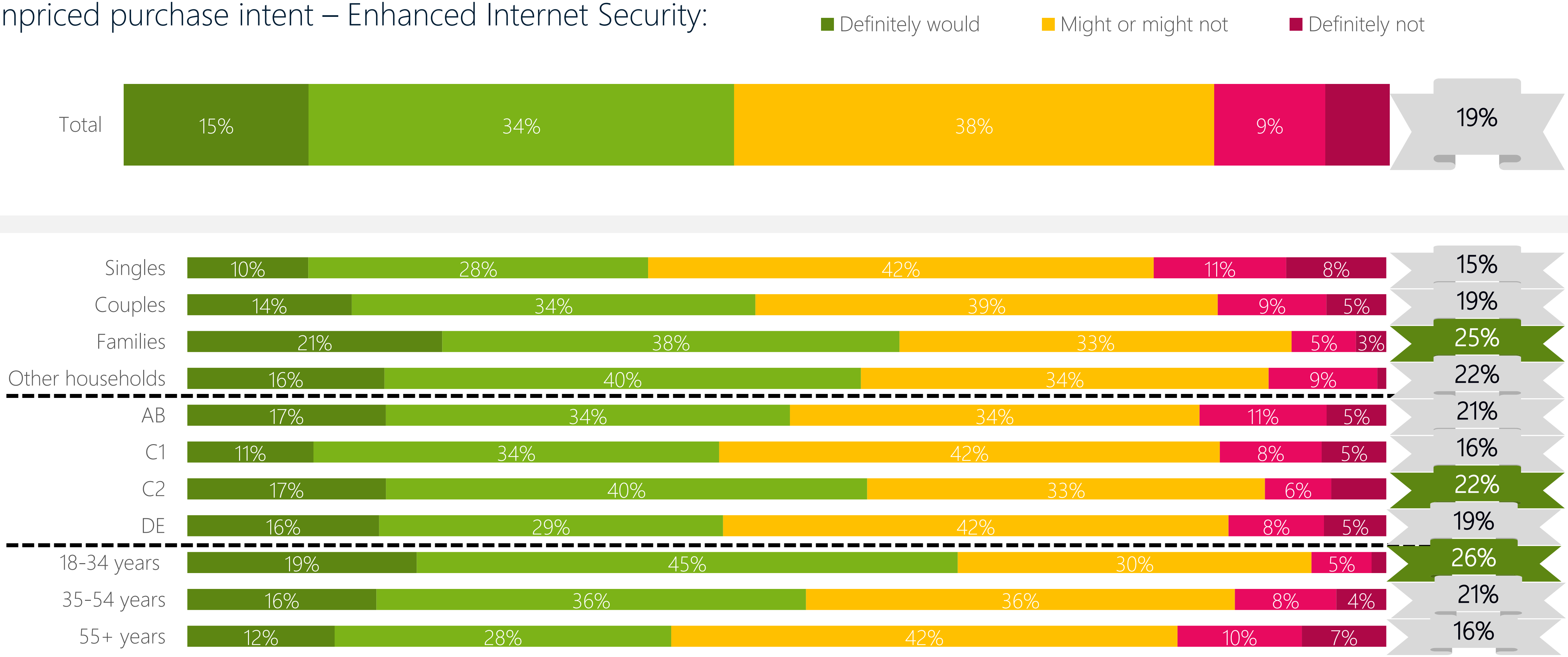
Q: 103 Would you consider paying for this service if it was priced at [£].

# 5.9.

## Enhanced Internet Security.

# ***Enhanced Internet Security*** **proposition scores highest with younger families**

Unpriced purchase intent – Enhanced Internet Security:




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# Internet security is seen as an essential service, but can be difficult to get customers to switch providers

## Open Comments – Enhanced Internet Security:

This sort of protection is very important although I would need to understand the extent to which it would remove the need for additional protection of this sort to be installed on each separate device

It appeals for someone who may not know or feel like they need security protection. I myself tend to not think about things like that so if it was automatically installed it would be good

Security is the most important of all ,so if there was absolutely nothing else offered in this deal I would still take it that alone would make me take it

would not now sign up to a service without security tools - years ago used to pay £50 a year for Norton - would not want to go back to that!

I want to know that I am accessing the internet safely and that the risk of anyone intercepting my information is very low

I already have  state-of-the-art security tools to ensure you stay safe from viruses, malware, spyware and other unwanted threats

I would prefer not to tie my security to my broadband provider but be able to search the market for these products.

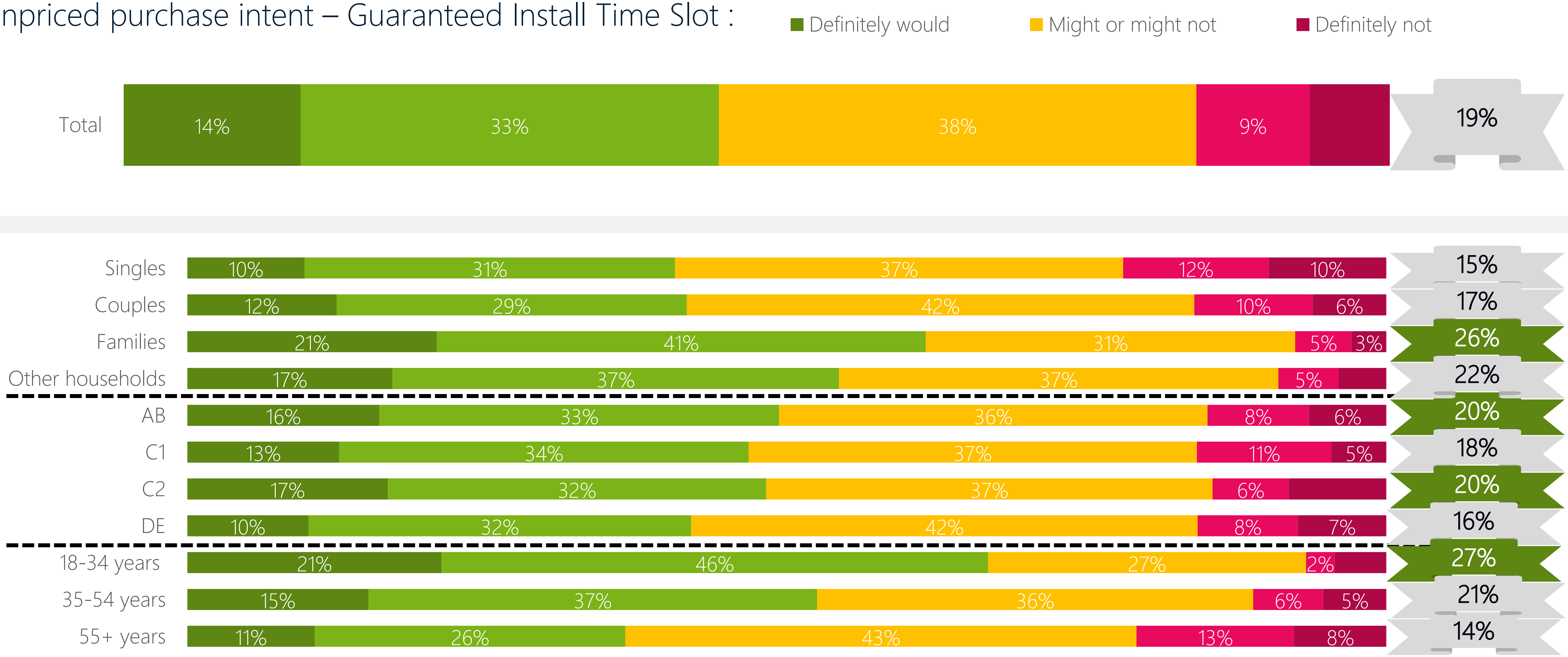
I already pay for an excellent separate service that does all this and has never failed me. I wouldn't switch

# 5.10.

## Guaranteed Install Time Slot.

# Guaranteed Install Time Slot again appeals to time pressed young families

## Unpriced purchase intent – Guaranteed Install Time Slot :

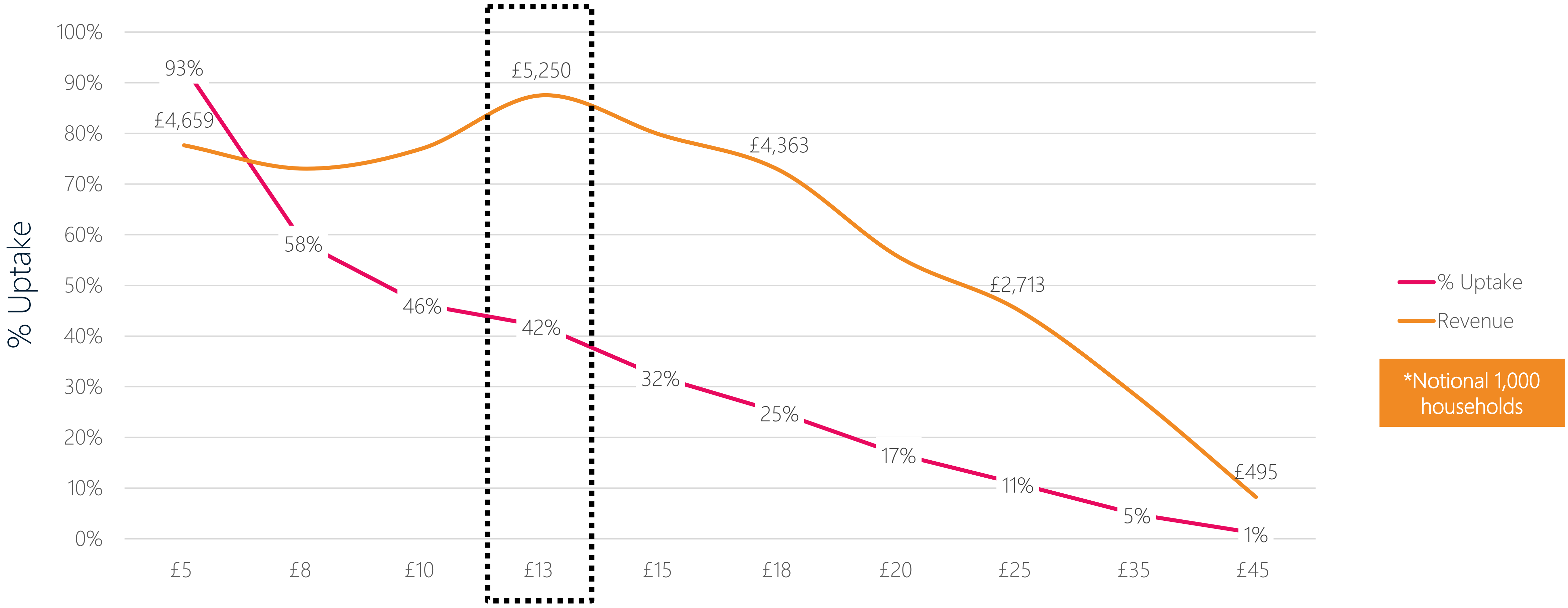



Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# A fiver for this guarantee would be very popular, but pricing around £13 would generate the highest revenue

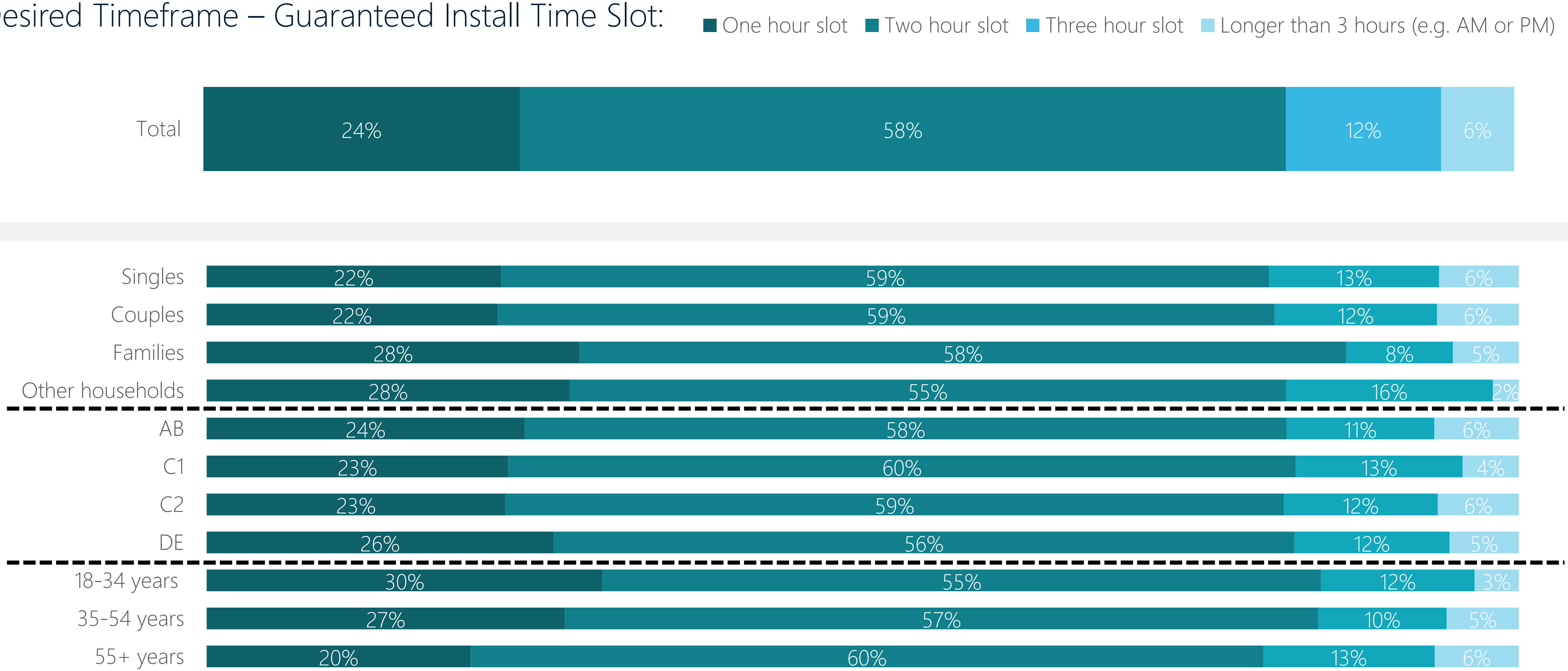
Pricing analysis – Guaranteed Install Time Slot:




Q: 103 Would you consider paying for this service if it was priced at [£].

# A two-hour arrival time slot is deemed appropriate, younger customers are more demanding

Desired Timeframe – Guaranteed Install Time Slot:




Context Consulting

Q: How narrow do you think the arrival time slot for your engineer should be?

# Waiting in for an engineer is a universally recognised pain-point for customers

## Open Comments – Guaranteed Install Time Slot:

Waiting for engineers (internet, washing machine, whatever) can be a major irritation so a fixed slot is not just desirable but, I think, should be offered as standard. However, I would also want to see this linked to a guarantee of how soon that engineer would arrive

Whilst I work from home and my wife is retired it's good to know roughly when the engineer might be expected otherwise, we're tied to remain in-doors all day

I don't like the long time that I have to sit there waiting for a BT engineer to arrive, or the low compensation if they don't turn up. I can't see how they justify paying much less if they don't turn up than they charge if you're not ready to let them it when they do turn up.

I have always hated waiting in for anyone who has to come to the house to repair or set up something. It feels like I'm not free. So, to have a two-hour window frees up my time

I would like to know 'exactly' when the arrival would be, and I can pick the time which suits me best

It is easy to organise your time so you don't have to spend all day waiting around

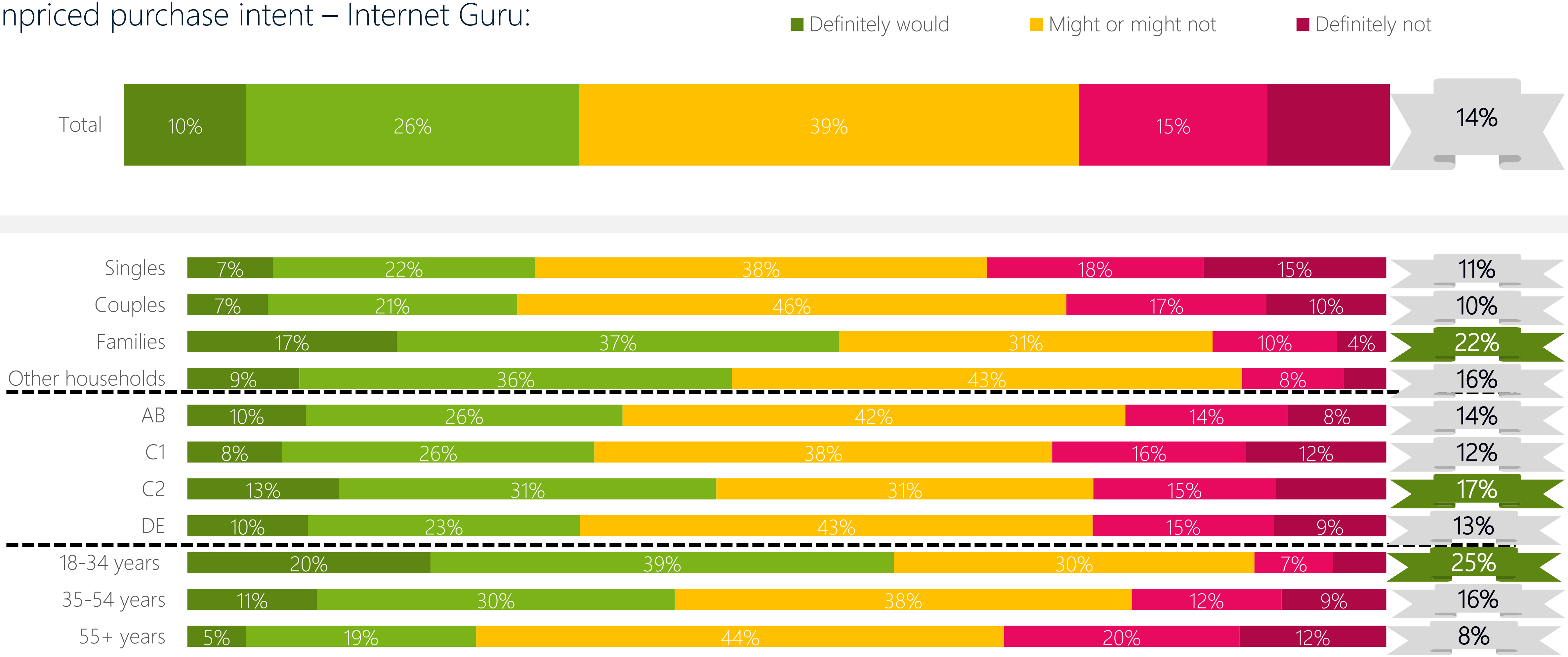
You don't have to wait around all day so you can go out and come back to the time

# 5.11.

Internet Guru.

# Although young customers are the most tech confident they would still be most interested in learning more from an Internet Guru

## Unpriced purchase intent – Internet Guru:

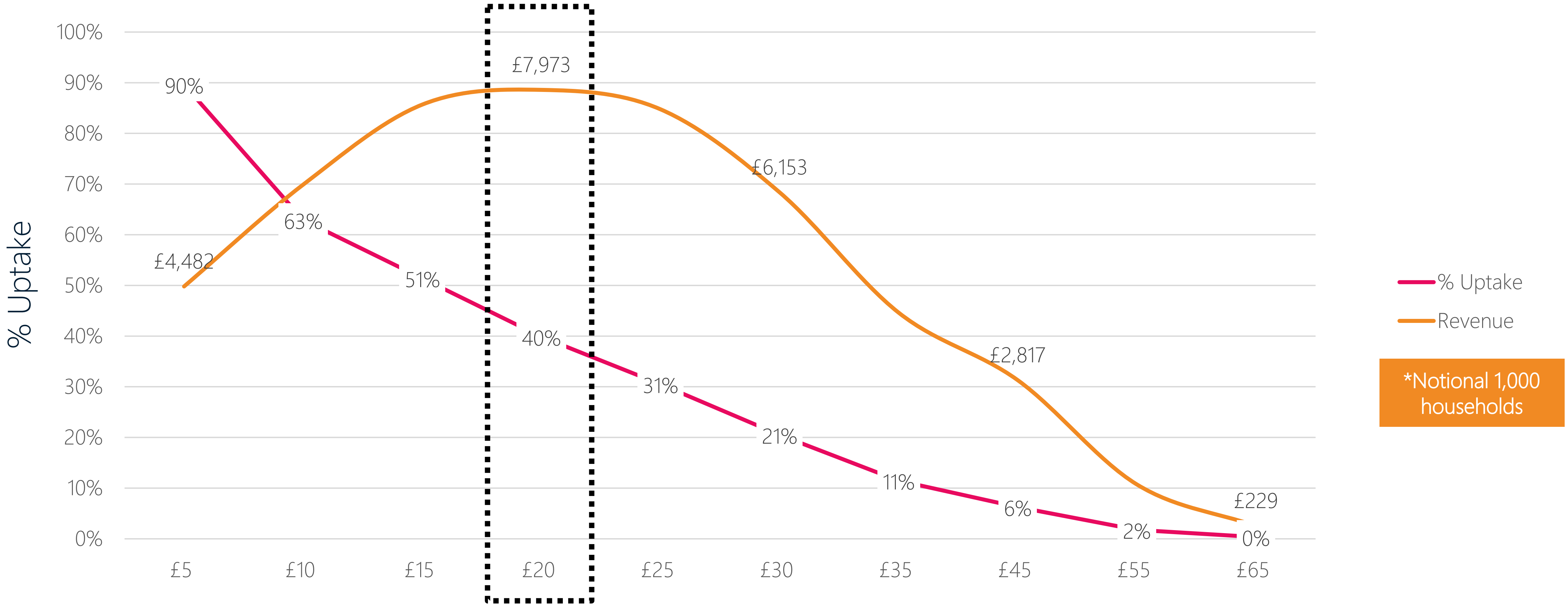



Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# A Internet Guru advisory service could be priced around £20 to generate the most revenue

Pricing analysis – Internet Guru




Context Consulting

Q: 103 Would you consider paying for this service if it was priced at [£].

# Additional support is welcomed, but it needs to be specific and tailored to each customers otherwise it is not helpful

Open Comments – Internet Guru:

'Guru' is a gimmick like a 'Genius' or 'Dudes'. I want someone who is knowledgeable, reliable, efficient and can hopefully share a little knowledge that with help the customer for the future and not 'blind them with science

Having someone online to help with issues is beneficial because after you've sorted everything out and it still doesn't work then you can begin thinking about other things and an expert would be beneficial in this.

It would be nice to have some backup should I have a problem but in the 23 years I've had the internet in my home I can think of VERY few incidents where I've had to phone for help.

I often feel like contacting for losing connection would be a waste of everyone's time but if someone could come to look at the issue that would be amazing

Having help available is always useful but I would not expect to have an issue - the issue is likely to be on your side not mine so you should fix anyway!

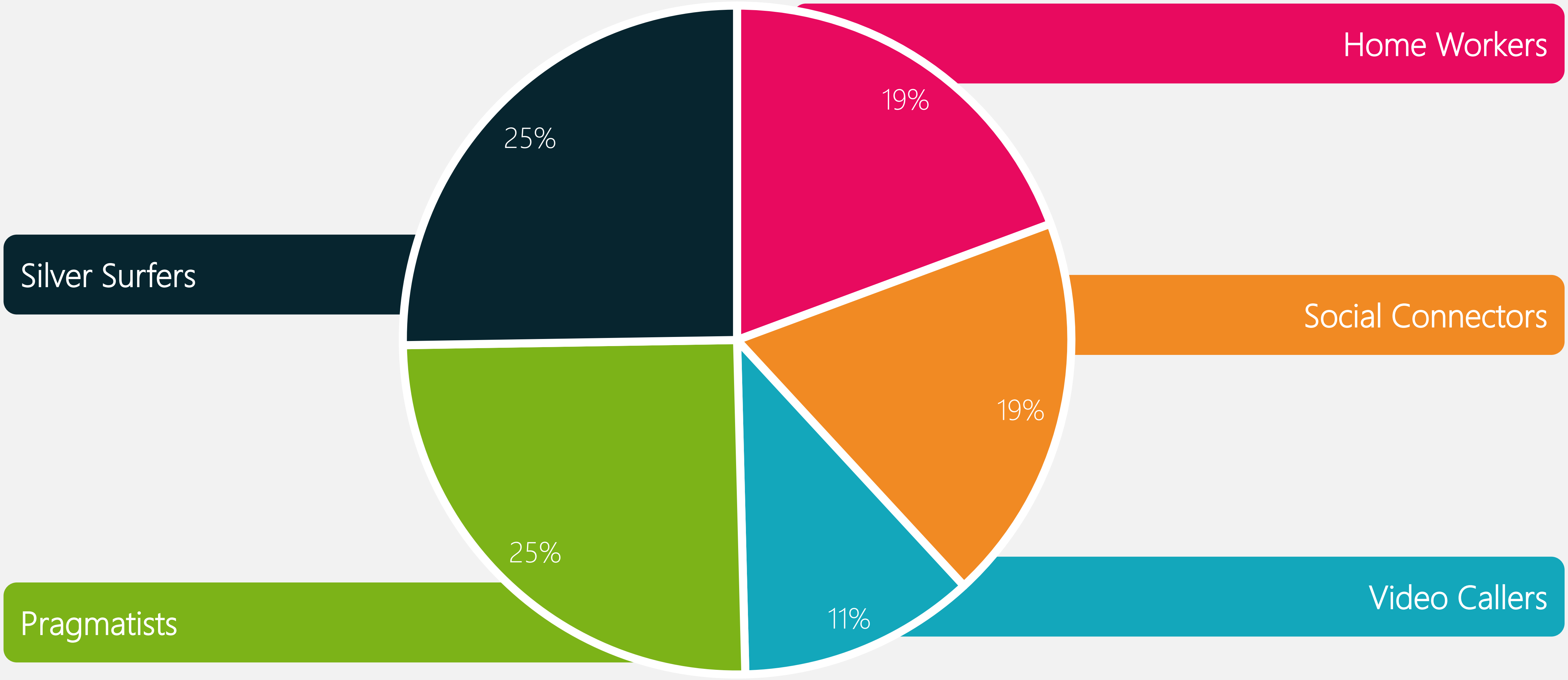
That you can get to speak to a human who would understand firsthand what you issue is and hopefully give you guarantees that they can fix the issue

Might prove useful if you could get a home visit rather than trying to explain - what you don't understand - over the phone

# 6.

## Consumer Audiences.

# We have identified 5 Consumer Audiences – along with draft names




Context Consulting

Base: Home workers (n=569), Social connectors (n=561), Video callers (n=336), Pragmatists (n=763), Silver surfers (n=772)

# The groups are defined by how their most important internet activity

Top four most important internet activities:

| Home Workers | |
|---|---|
| Working from home | 81% |
| Online banking / investment / finances | 36% |
| Send/ receive e-mails | 30% |
| Education (i.e., home schooling / studying) | 26% |

| Social Connectors | |
|---|---|
| Instant messaging | 59% |
| Using social media sites or apps | 56% |
| Online banking / investment / finances | 44% |
| Send/ receive e-mails | 34% |

| Video Callers | |
|---|---|
| Video calls | 98% |
| Online banking / investment / finances | 37% |
| Send/ receive e-mails | 29% |
| Online shopping | 18% |

| Pragmatists | |
|---|---|
| Online banking / investment / finances | 73% |
| Online shopping | 58% |
| Send/ receive e-mails | 55% |
| Streaming TV / films / sport content | 25% |

| Silver Surfers | |
|---|---|
| General web browsing | 81% |
| Send/ receive e-mails | 57% |
| Online banking / investment / finances | 42% |
| Online shopping | 25% |

Context Consulting

Q: And which of the following are the most important ways that you use the internet. Base: Home workers (n=569), Social connectors (n=561), Video callers (n=336), Pragmatists (n=763), Silver surfers (n=772)

# Attitudes to social media and streaming are the most significant differences between older and younger segments

Key differences in attitudes:

| Home Workers | | Total |
|---|---|---|
| Most of the TV programmes I watch now are from online streaming / catch up services | 58% | 45% |
| I cannot live without the internet | 78% | 70% |

| Social Connectors | | Total |
|---|---|---|
| I would feel isolated if I didn't have social media to stay connected to friends and family | 68% | 42% |
| Internet brings the society together | 70% | 59% |

| Video Callers | | Total |
|---|---|---|
| Video calls/chats are great replacements for traditional phone calls | 82% | 54% |
| I would feel isolated if I didn't have social media to stay connected to friends and family | 56% | 42% |

| Pragmatists | | Total |
|---|---|---|
| I don't need social media to stay connected to friends and family | 47% | 39% |
| I think the internet has a negative effect on our society | 40% | 34% |

| Silver Surfers | | Total |
|---|---|---|
| I don't cast content from my phone / tablet to other screens in my home | 76% | 58% |
| I prefer to read traditional (paper) books /newspapers magazines to electronic / online versions | 61% | 54% |

Context Consulting

Q: To what extent do you agree with the following statements? Base: Home workers (n=569), Social connectors (n=561), Video callers (n=336), Pragmatists (n=763), Silver surfers (n=772)

# Home Workers


| | Top propositions (Avg. Score /5) | Home Workers | Total Average |
|---|---|---|---|
| 1 | Guaranteed Install Time Slot | 3.52 | 3.39 |
| 2 | Wi-Fi Optimisation | 3.47 | 3.28 |
| 3 | Enhanced Internet Security | 3.46 | 3.44 |
| 4 | OOH & Weekend Installs | 3.46 | 3.10 |
| 5 | 2Gb Full Fibre | 3.45 | 3.24 |

## Proposition for Home Workers

Being busy professionals Home Workers want a proposition which will support their productivity, and well as ensuring their installation does not interrupt their work

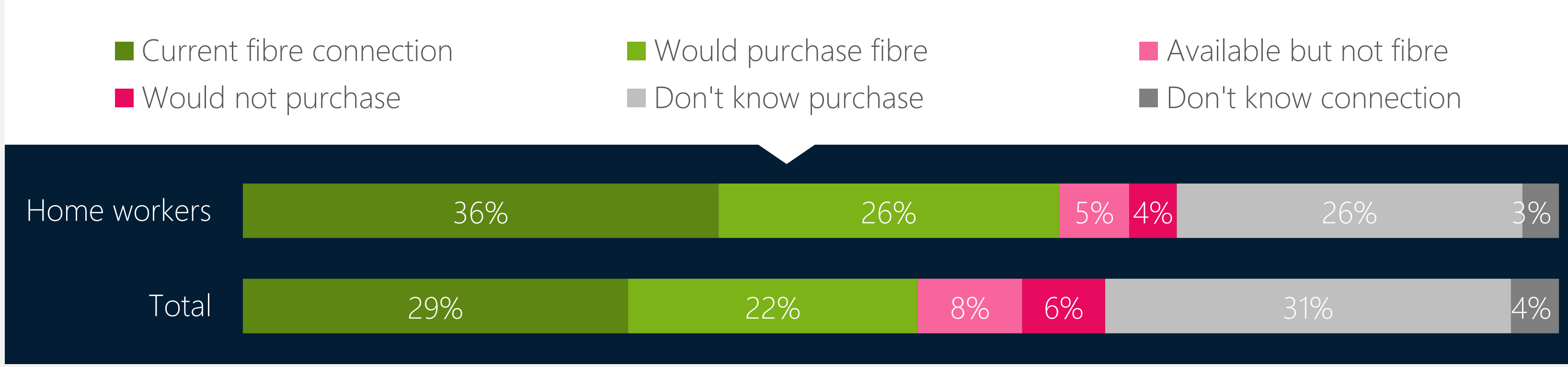
| Average number Household devices | Home Workers | Total Average |
|---|---|---|
| Smartphones | 2.1 | 1.7 |
| Smart TVs | 0.8 | 0.9 |
| Laptop / Desktop PCs | 1.4 | 1.4 |
| Tablets | 0.9 | 1.0 |
| Games Consoles | 0.6 | 0.5 |
| Smart Watches | 0.3 | 0.3 |

| Most important internet activities | Home Workers | Total Average |
|---|---|---|
| Working from home | 81% | 19% |
| Online banking | 36% | 49% |
| Send/ receive e-mails | 30% | 44% |
| Education | 26% | 6% |

Internet connectivity is of **critical importance** to this group as they rely on for their **work or education**. Secondary to this they enjoy **streaming TV and audio services**, instant messaging and making video calls. They are often on WhatsApp and YouTube and are most likely to be on LinkedIn.

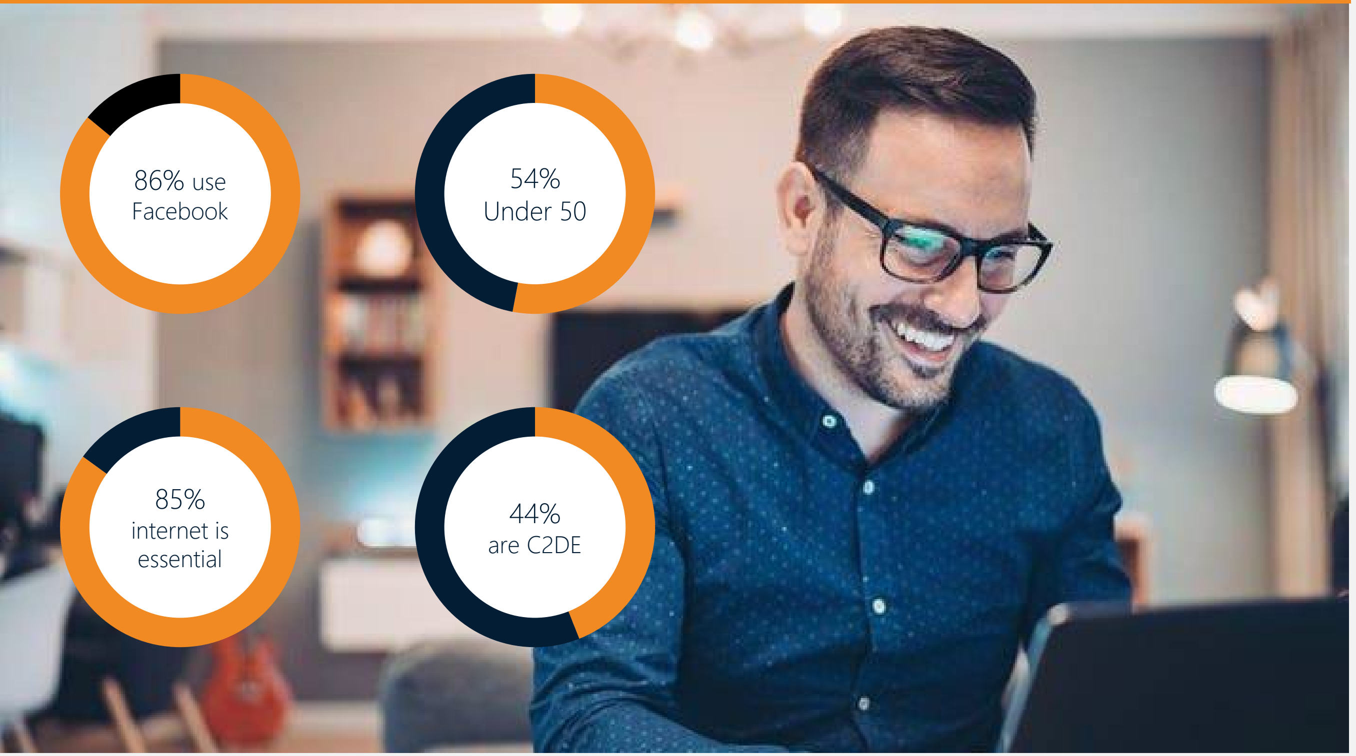
They are **higher earners** with a **household income of £52k.** Half are between **35 and 55 years old**. They have **the most PCs and home devices** and most likely to have additional tech like smart tablets, watches and speakers

## Current Fibre Connection:




Context Consulting

# Social Connectors




| Top propositions (Avg. Score /5) | | Social Connectors | Total Average |
|---|---|---|---|
| 1 | Enhanced Internet Security | 3.55 | 3.44 |
| 2 | Wi-Fi Optimisation | 3.50 | 3.28 |
| 3 | Family controls | 3.46 | 3.35 |
| 4 | Guaranteed Install Time Slot | 3.45 | 3.39 |
| 5 | Clean and Easy Install | 3.41 | 3.25 |

## Proposition for Social Connectors

Social Connectors do not have any critical need for internet connectivity but want their connection to be installed effectively, easy to access, and secure

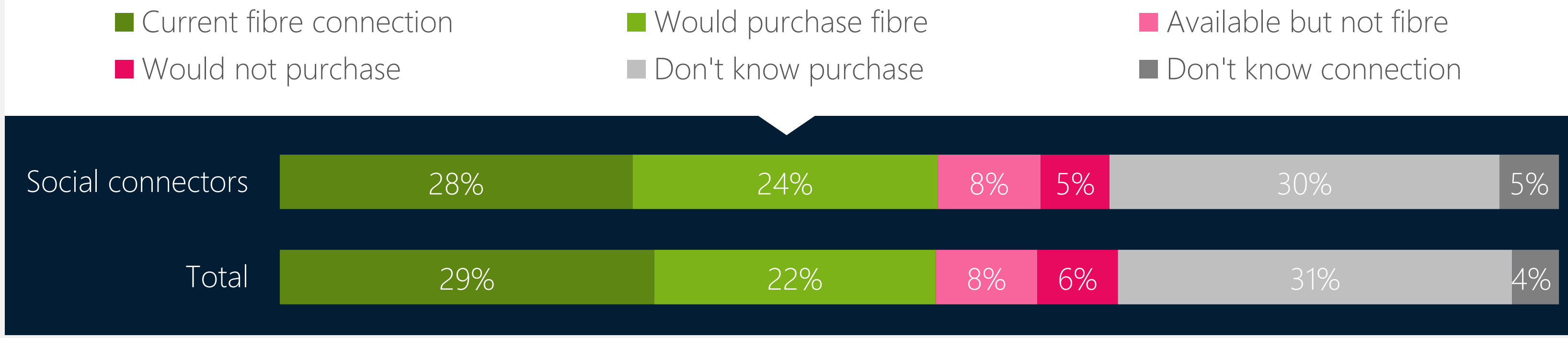
| Average number Household devices | Home Workers | Total Average |
|---|---|---|
| Smartphones | 1.8 | 1.7 |
| Smart TVs | 1.0 | 0.9 |
| Laptop / Desktop PCs | 1.2 | 1.4 |
| Tablets | 1.0 | 1.0 |
| Games Consoles | 0.6 | 0.5 |
| Smart Watches | 0.4 | 0.3 |

| Most important internet activities | Home Workers | Total Average |
|---|---|---|
| Instant messaging | 59% | 17% |
| Using social media sites or apps | 56% | 16% |
| Online banking | 44% | 49% |
| Send/ receive e-mails | 34% | 44% |

**Social media sites** and **instant messaging** is their primary use of the internet. They have **more smartphones** and **game consoles** than the average household but have not expanded into connected devices yet

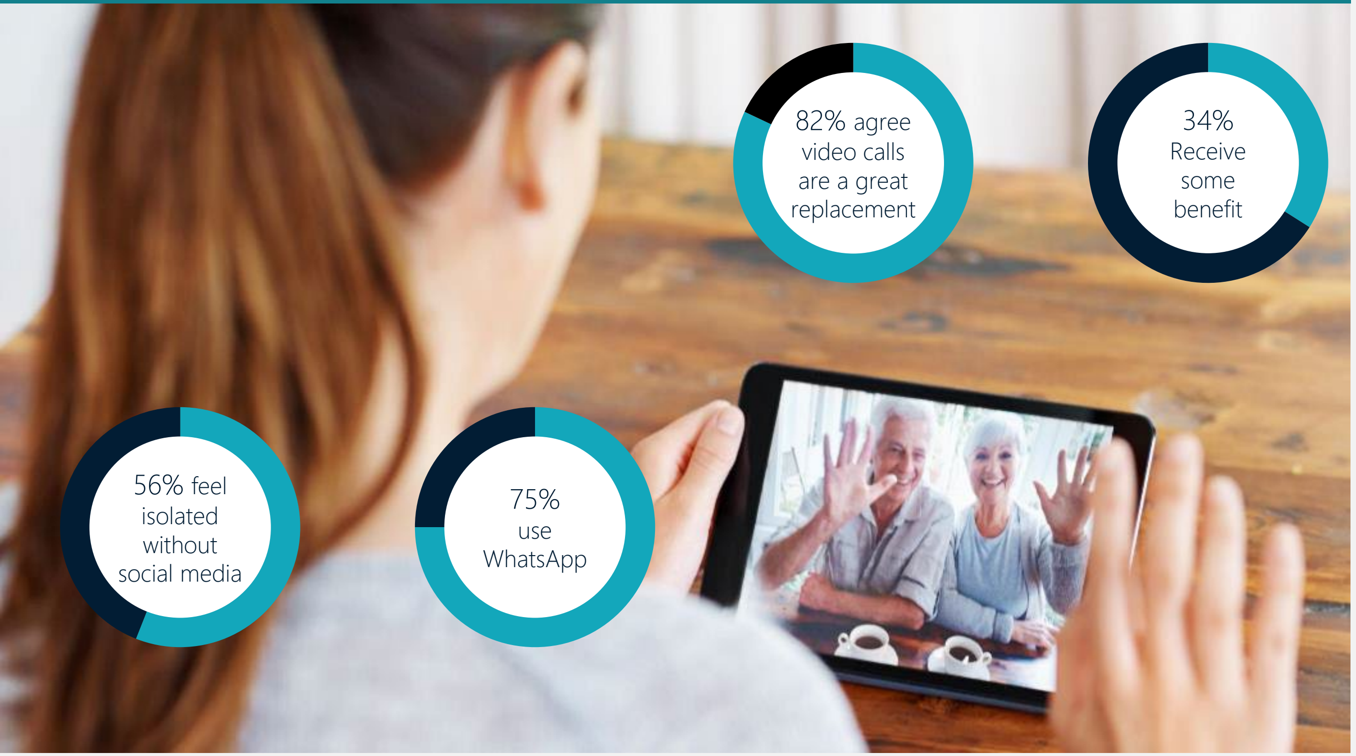
They have a **positive view of the internet** believing it has a positive role in society by bringing people together. Their networking is mostly done through **Facebook, WhatsApp, YouTube** and **Instagram**. They are the **lowest earners** bringing £38k in the household per year.

## Current Fibre Connection:




Context Consulting

# Video Callers




| | Top propositions (Avg. Score /5) | Video Callers | Total Average |
|---|---|---|---|
| 1 | Family controls | 3.63 | 3.35 |
| 2 | Enhanced Internet Security | 3.63 | 3.44 |
| 3 | Guaranteed Install Time Slot | 3.54 | 3.39 |
| 4 | Wi-Fi Optimisation | 3.50 | 3.28 |
| 5 | Clean and Easy Install | 3.42 | 3.25 |

## Proposition for Video Callers

Security and content controls are particularly important for the Video Callers. They are typically older families with the greatest need for these services

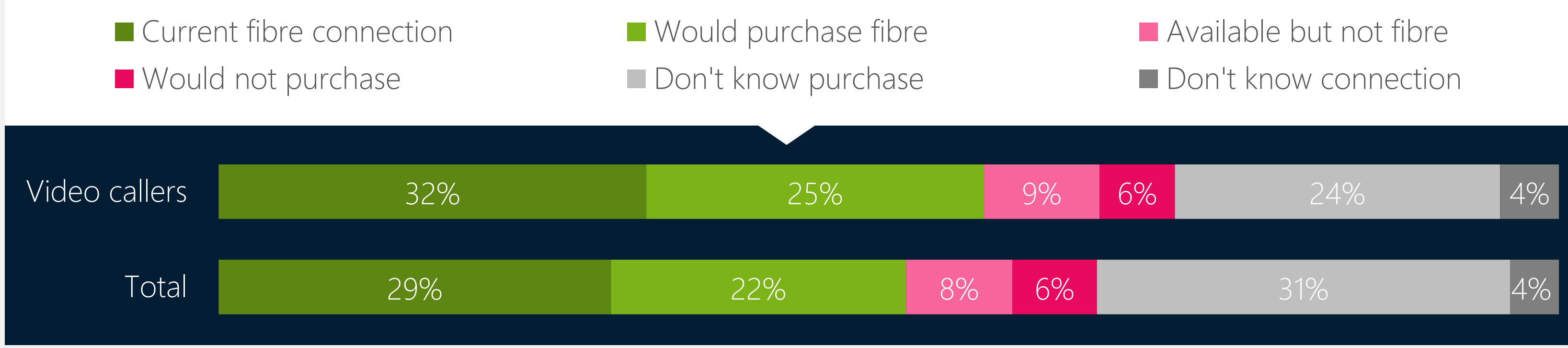
| Average number Household devices | Video Callers | Total Average |
|---|---|---|
| Smartphones | 1.8 | 1.7 |
| Smart TVs | 0.9 | 0.9 |
| Laptop / Desktop PCs | 1.4 | 1.4 |
| Tablets | 1.1 | 1.0 |
| Games Consoles | 0.6 | 0.5 |
| Smart Watches | 0.4 | 0.3 |

| Most important internet activities | Video Callers | Total Average |
|---|---|---|
| Video calls | 98% | 12% |
| Online banking | 37% | 49% |
| Send/ receive e-mails | 29% | 44% |
| Online shopping | 18% | 31% |

For this group, the primary use of the internet is to make **video calls**, with **98% putting this in their top three activities**. Streaming and instant messaging are also popular activities. They believe video calls are a great replacement for phone calls and would feel isolated if they were not able to **use social media to connect with loved ones**.

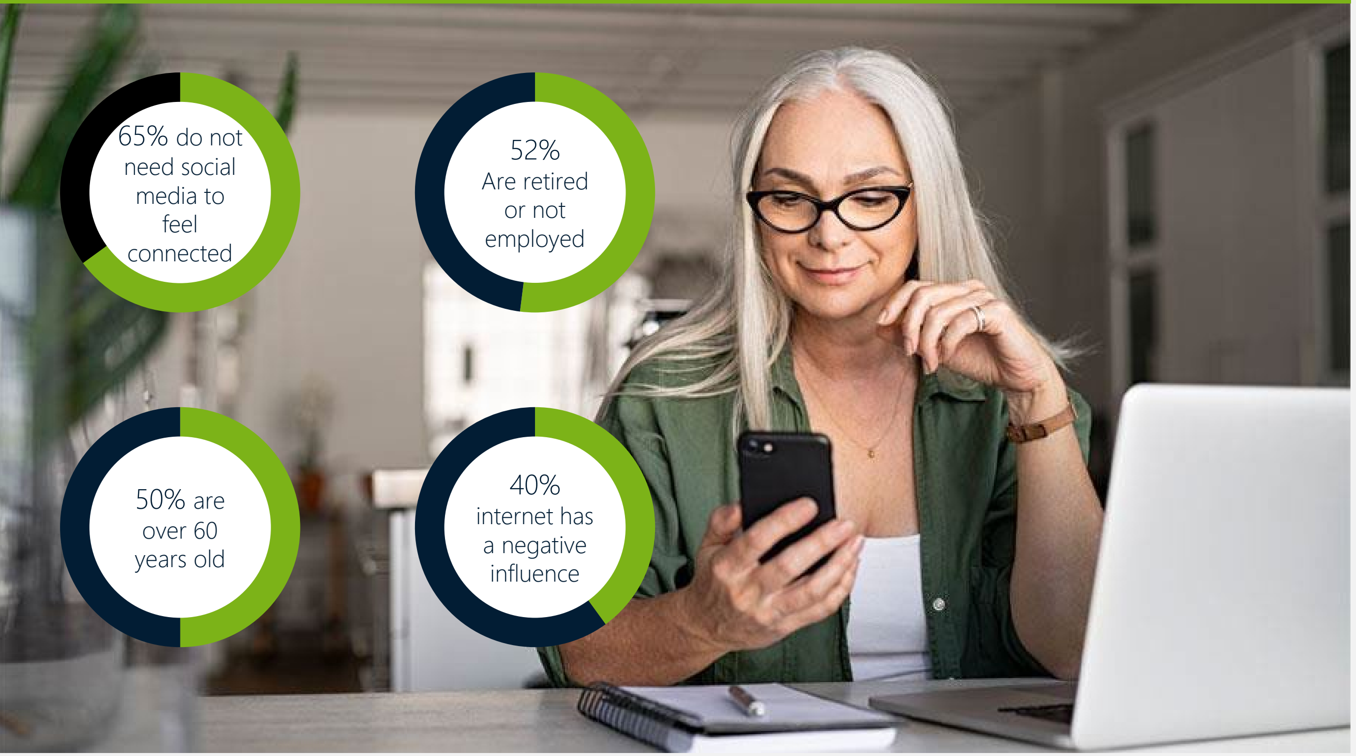
They have an average number of devices across the household with an average household income of £42k a year.

## Current Fibre Connection:




Context Consulting

# Pragmatists




| | Top propositions (Avg. Score /5) | Pragmatists | Total Average |
|---|---|---|---|
| 1 | Enhanced Internet Security | 3.41 | 3.44 |
| 2 | Family controls | 3.40 | 3.35 |
| 3 | Guaranteed Install Time Slot | 3.35 | 3.39 |
| 4 | 2Gb Full Fibre | 3.21 | 3.24 |
| 5 | Clean and Easy Install | 3.21 | 3.25 |

## Proposition for Video Callers

Enhanced security and family controls are the only propositions with resonates strongly with Pragmatists

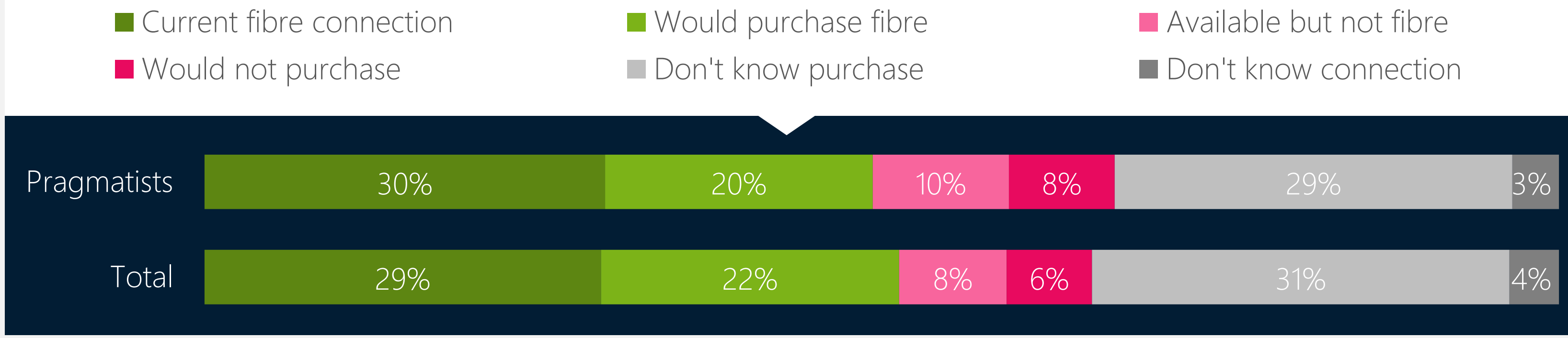
| Average number Household devices | Pragmatists | Total Average |
|---|---|---|
| Smartphones | 1.6 | 1.7 |
| Smart TVs | 0.9 | 0.9 |
| Laptop / Desktop PCs | 1.3 | 1.4 |
| Tablets | 1.0 | 1.0 |
| Games Consoles | 0.5 | 0.5 |
| Smart Watches | 0.3 | 0.3 |

| Most important internet activities | Pragmatists | Total Average |
|---|---|---|
| Online banking | 73% | 49% |
| Online shopping | 58% | 31% |
| Send/ receive e-mails | 55% | 44% |
| Streaming TV / films / sport content | 25% | 22% |

**Banking and online shopping** are the most important internet activities for this group. With **44% being retired**, besides also sending emails they are **not frequently doing many other activities** compared to the average household. They have a **more negative view** of the influence of the internet in society and do not need to stay connected.

15% of households use no social media sites. **48% are still reliant on their landline** telephone and view it as very important

## Current Fibre Connection:




Context Consulting

# Silver Surfer


| | Top propositions (Avg. Score /5) | Silver Surfer | Total Average |
|---|---|---|---|
| 1 | Enhanced Internet Security | 3.28 | 3.44 |
| 2 | Guaranteed Install Time Slot | 3.26 | 3.39 |
| 3 | 2Gb Full Fibre | 3.11 | 3.24 |
| 4 | Free Upgrade for 6m | 3.03 | 3.21 |
| 5 | Clean and Easy Install | 3.01 | 3.25 |

| Average number Household devices | Silver Surfer | Total Average |
|---|---|---|
| Smartphones | 1.3 | 1.7 |
| Smart TVs | 0.8 | 0.9 |
| Laptop / Desktop PCs | 1.3 | 1.4 |
| Tablets | 0.9 | 1.0 |
| Games Consoles | 0.3 | 0.5 |
| Smart Watches | 0.2 | 0.3 |

## Proposition for Silver Surfer

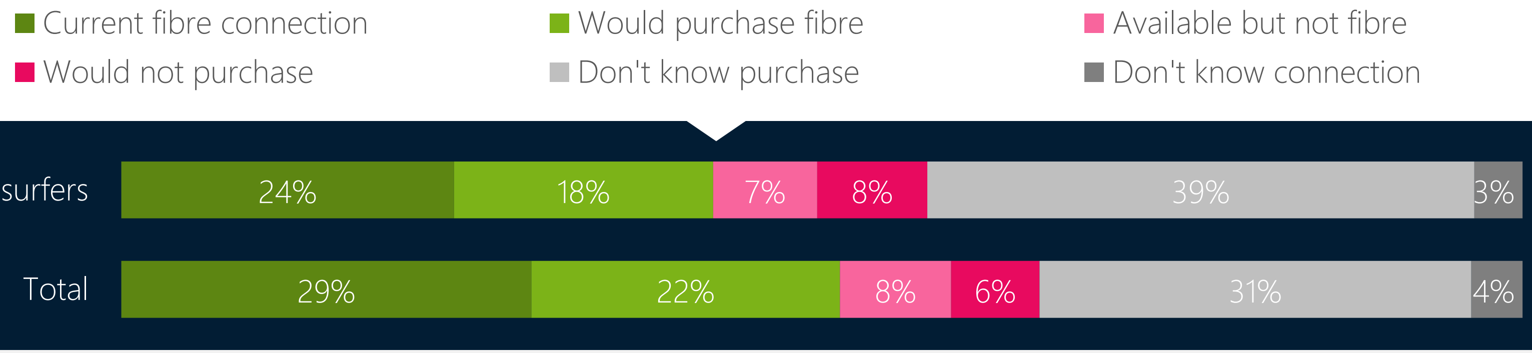
Silver Surfers are the least engaged segment and do not find any of the proposition particularly appealing

| Most important internet activities | Silver Surfer | Total Average |
|---|---|---|
| General web browsing/ | 81% | 29% |
| Send/ receive e-mails | 57% | 44% |
| Online banking | 42% | 49% |
| Online shopping | 25% | 31% |

The **oldest group** they are only interested in **browsing the internet and sending emails**. They do not have a negative view of the internet or increased connectivity; they just **do not see it as important** in their lives.

48% are retired and 58% are over 60 years old. They are **least likely to be in a family** either living alone or in a couple. On average their household will have one smartphone, TV, PC and tablet. They are significantly **less likely to have any other sort of technology**.

## Current Fibre Connection:




Context Consulting

# Wi-Fi Optimisation is the most universally appealing proposition, with younger segments choosing seamless installation over security controls

Proposition targeting:

Home Workers

Social Connectors

Video Callers

Pragmatists

Silver Surfers

2Gb Full Fibre

Internet Guru

Enhanced Internet Security

Clean and Easy Install

Family controls

Wi-Fi Optimisation

Weekend Install

Being busy professionals Home Workers want a proposition which will support their productivity, and well as ensuring their installation does not interrupt their work

Social Connectors do not have any critical need for internet connectivity but want their connection to be installed effectively, easy to access, and secure

Security and content controls are particularly important for the Video Callers. They are typically older families with the greatest need for these services

Enhanced security is the only proposition with resonates strongly with Pragmatists

Silver Surfers are the least engaged segment and do not find any of the proposition particularly appealing

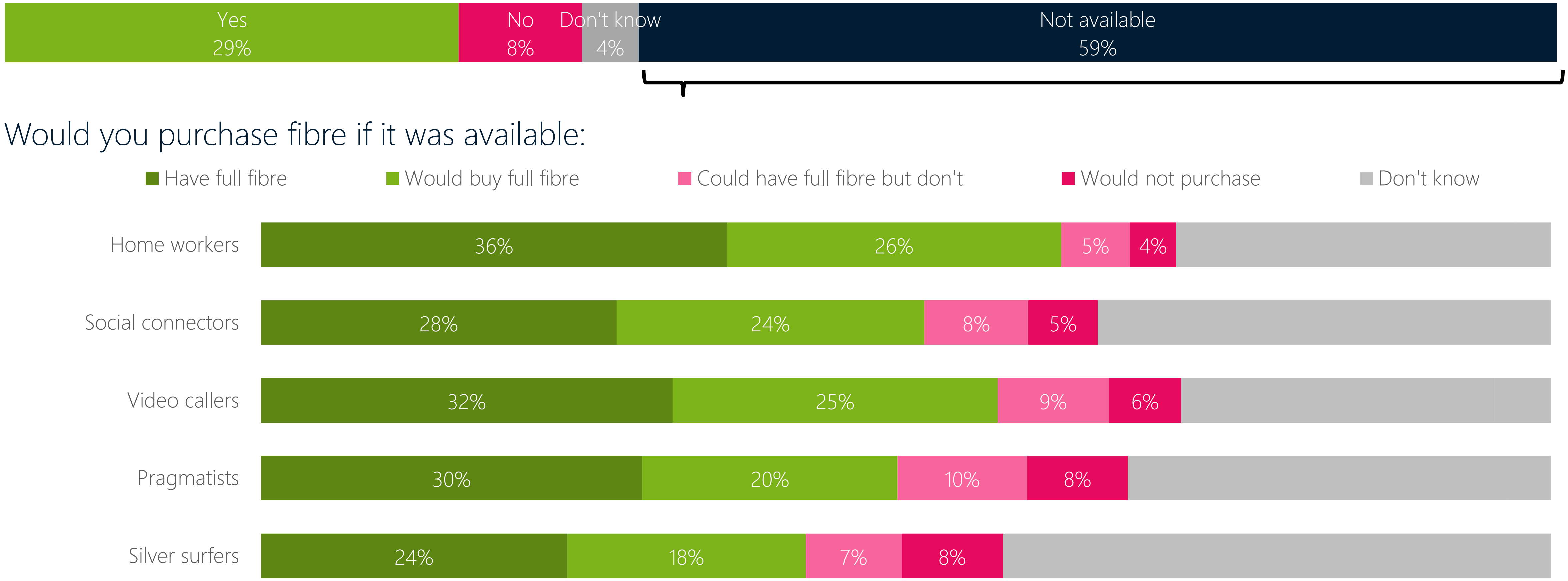
Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it? Base: Home workers (n=569), Social connectors (n=561), Video callers (n=336), Pragmatists (n=763), Silver surfers (n=772)

# Home workers are most likely to already have a fibre connection and would consider it if it was available in their area

Is your internet a full fibre connection:

Would you purchase fibre if it was available:

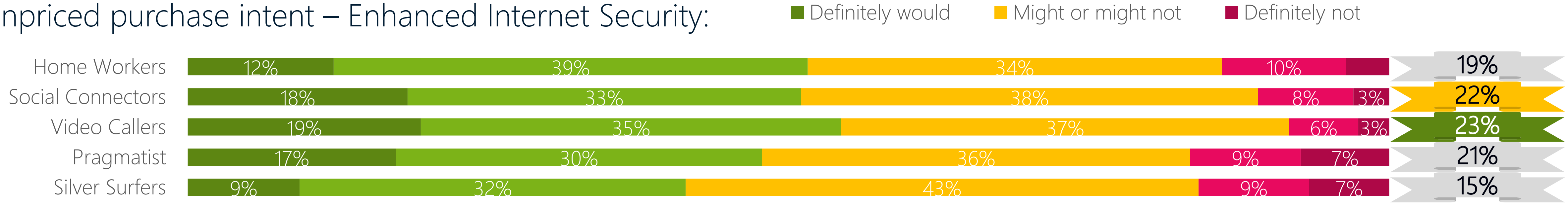



Context Consulting

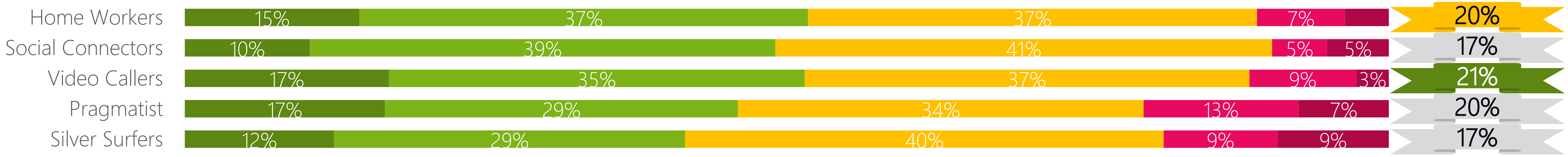
Q: If you could get full fibre in your home, would you purchase it? Q: Is the internet service you use at home a full fibre connection? Base: Home workers (n=569), Social connectors (n=561), Video callers (n=336), Pragmatists (n=763), Silver surfers (n=772)

# Family controls and enhanced security are the most appealing propositions for the Video Callers

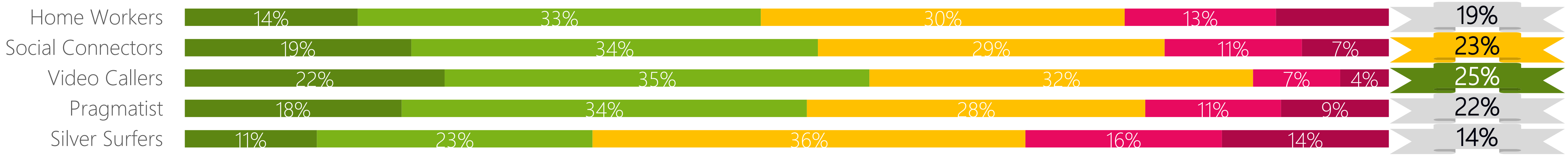
## Unpriced purchase intent – Enhanced Internet Security:




## Guaranteed appointment:




## Family controls:



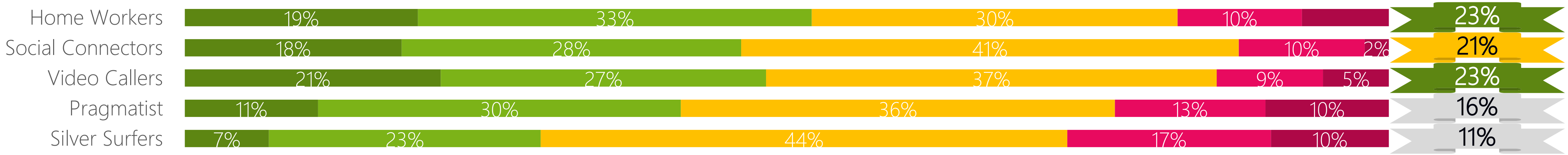

Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

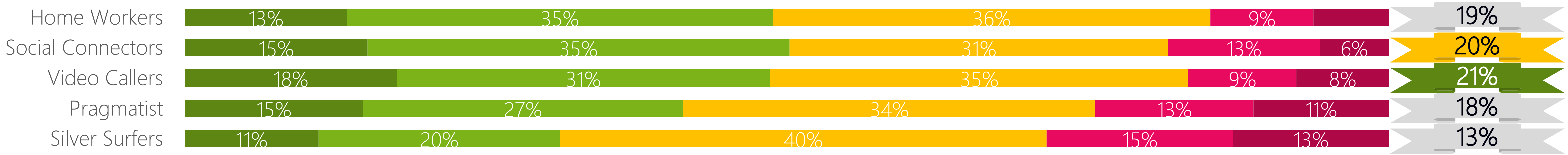
# Home Workers are most likely to consider a 2Gb full fibre connection as well as Wi-Fi Optimisation to support their productivity

## Unpriced purchase intent – Wi-Fi Optimisation:

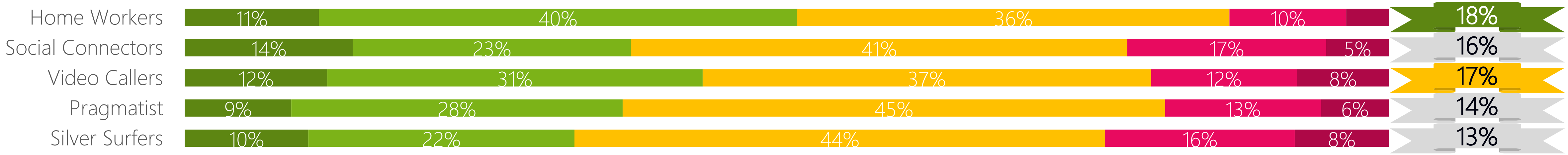
Definitely would | Might or might not | Definitely not




## Clean and Easy Install:




## 2Gb Full Fibre:



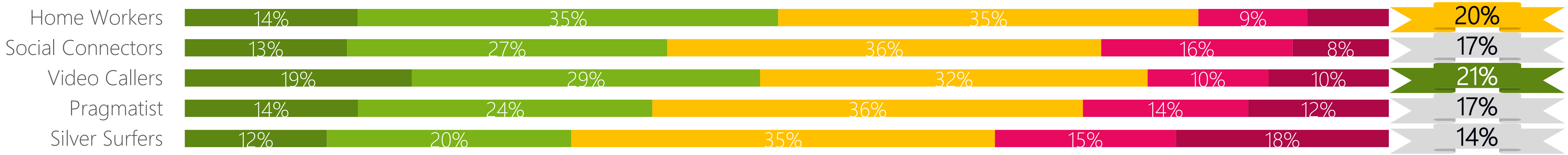

Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

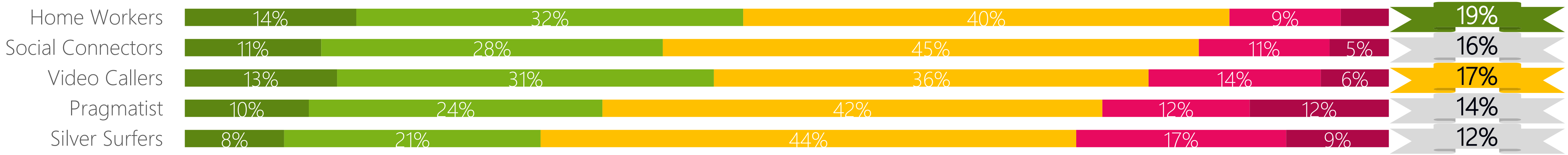
# Silver Surfers are the least engaged segment and have a low likelihood to purchase across all propositions

## Unpriced purchase intent – Assured Bandwidth:

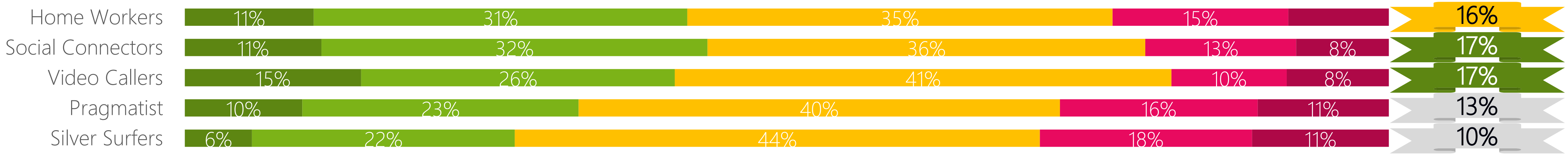
Definitely would  Might or might not  Definitely not




## Free Upgrade for 6m:




## Internet Guru:

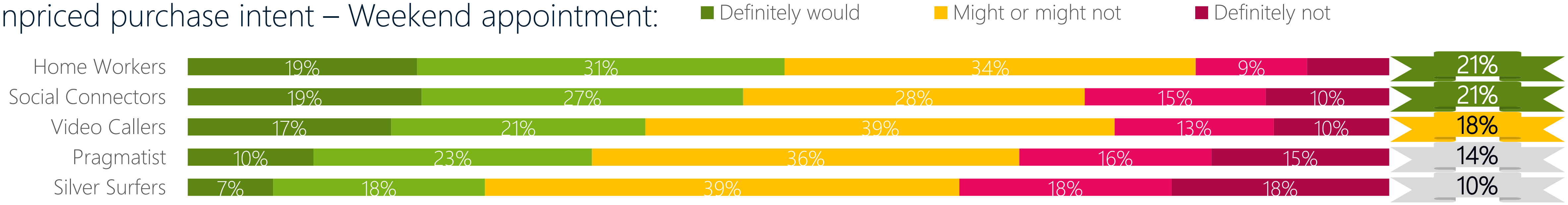



Context Consulting

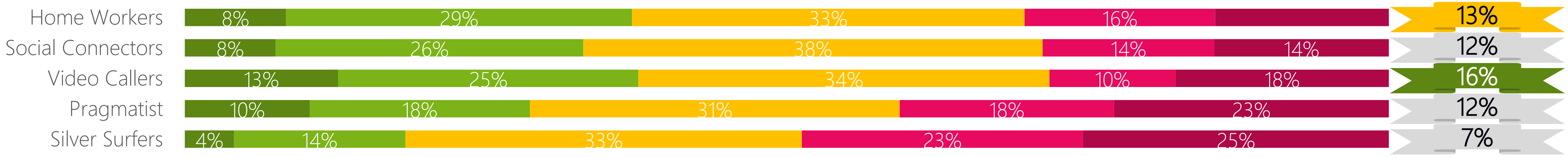
Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# Next Day Installs is the least popular proposition

## Unpriced purchase intent – Weekend appointment:




## Next Day Installs:




Context Consulting

Q: If this service proposition was available at a price you considered suitable, how likely would you be to consider purchasing it?

# 7.

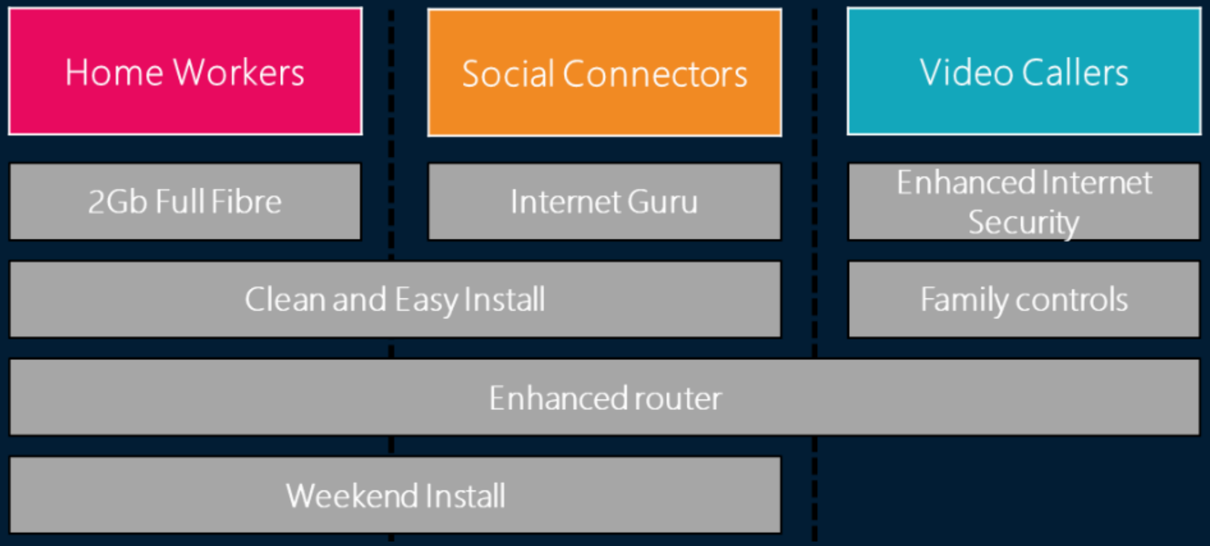
## Next steps.

# Next steps – qualitative fieldwork (6 x 90min focus groups)

**London – 10th Feb**
- Home Workers (families)
- Video Callers (Aged 23-30)

**Edinburgh – 23rd Feb**
- Social Connectors (Aged 31-60)
- Home Workers (prof. couples)

**Leeds – 24th Feb**
- Video Callers (Aged 31-60)
- Social Connectors (Aged 23-30)




Q – Which propositions to be tested in this phase?

Q – Should we test all propositions across all audiences or only those most relevant?

Q – Do the propositions need to be revised in any way?

# Thank you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