**ACCC Consumer consultation - Broadband speed claims**

**Overview**

The way consumers are getting their broadband internet is changing, especially with the development of internet networks that are able to provide ‘superfast’ internet (internet download speeds over 25 megabits per second). As technology evolves, consumers expectations about their internet service are also changing – many Australian consumers want broadband internet that is fast and reliable, performs well during peak demand times (7-11pm) and delivers popular data-intensive services like streaming.

However, the ACCC has observed that retail service providers’ (RSP) have generally been slow to provide consumers with clear and specific information about the performance and speed characteristics of their broadband service. Instead, RSPs have focused their advertising on price and download limits, and have used vague words, like ‘quick’, ‘fast’ or ‘boost’, to describe their speeds. This information gap means consumers are unable to accurately assess the value of a broadband plan. This can in turn lead to confusion, frustration and complaints when service problems arise.

**How can the problem be addressed?**

In some other countries, steps have been taken to improve the performance and speeds information given to consumers. For example, some countries have created rules that encourage or require RSPs to use standard templates or ‘labels’ when providing consumers with information to make it easier to compare broadband options. Some countries are also considering whether new rules should apply so that broadband service providers automatically compensate a consumer for poor broadband performance or allow a consumer to exit their contract.

**What can the ACCC and others do?**

One of the ACCC’s priorities is to make sure consumers are provided with clear, accurate information about broadband services, including information about the realistic speeds that a RSP can deliver. This information helps consumers make confident and informed choices when selecting their broadband provider.

In 2011, we provided [guidance](https://www.accc.gov.au/regulated-infrastructure/communications/compliance-anti-competitive-conduct/broadband-speed-claims-information-papers) to RSPs about the marketing of broadband services provided over HFC and optical fibre networks. With broadband internet technology evolving and the growing number of consumer complaints in the area of broadband speeds, we are looking to refresh and build upon our previous work in this area through this consultation.

There could be a number of different ways to address this issue. One option could be to have a standard comparable template for consumer information. The ACCC could refresh its current guidance to assist RSPs to implement improved advertising practices which could include such a template so that performance information is provided to consumers with greater confidence.

The ACCC can also take enforcement action in line with the [ACCC Compliance & Enforcement Policy](https://www.accc.gov.au/about-us/australian-competition-consumer-commission/compliance-enforcement-policy).

**Purpose of this consultation**

We are seeking to better understand:

* the information needs of consumers
* the factors that may be preventing RSPs from informing consumers of the speeds that their retail broadband services can support in practice
* how these factors can potentially be overcome, and
* whether similar issues exist in the mobile broadband services market.

We are interested to hear about consumers’ experiences and their views on how information about broadband performance and speed can be improved.

The information we gather through this consultation will assist us to identify the steps that may be taken to improve the quality of the broadband information retailers provide to consumers.

**What do you think?**

We encourage you to respond to the consumer broadband speeds questions available on the [ACCC Consultation Hub](https://consultation.accc.gov.au/communications-1/consultation-on-broadband-speed-claims) by **5.00pm, Thursday 25 August 2016.**

**Further information**

If you have a complaint or enquiry about a specific broadband speed claim, please contact the [ACCC Infocentre](https://www.accc.gov.au/contact-us/contact-the-accc/general-enquiry-form).

Further contact details are available on the ACCC’s [website](http://www.accc.gov.au/contact-us).