

NEWS RELEASE

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ADSL* usage powers ahead, while Dial-up takes a major plummet

- **Battle of the ISPs – Smaller players taking on the ‘big boys’ in client satisfaction**
- **ADSL* up 16 points, with Dial-up down a massive 17 points**
- **Big Pond and Optus still holding majority share**

Sydney, 6 September 2006: The big name Internet Service Providers (ISPs) are beginning to feel the heat as the smaller players gain significant ground in their overall level of customer satisfaction. According to leading market research company, ACNielsen, the majority of ISP clients are happy with the services they receive, especially in the areas of reliability, speed of connection and customer service.

The findings released today form part of ACNielsen’s ISP report which compiles the views of approximately 22,000 Australian consumers and incorporates customer satisfaction levels in areas of reliability, speed, cost and technical support, and assesses ISPs performance relative to their competitors.

ADSL* is currently the preferred option and has powered ahead with 55 percent of Australians, up 16 points from six months ago. Dial-up encountered a rather substantial decline, down 17 points to 23 percent, while cable recorded a marginal one percent decline to 14 percent (refer to chart 1).

“The drastic decrease in Dial-up is no surprise when you consider consumers’ need for speed and the competitive pricing structure of ADSL*, Cable and Dial-up within

ISPs”, stated Glenn Wealands, Director, Financial Services, ACNielsen Australia. “ISPs are now so competitively priced, that the costs between Dial-up and faster Internet connection options have been contracting”.

Findings from the report also revealed that only four percent of respondents are using Wireless access at home – a mere two percentage points higher than six months ago.

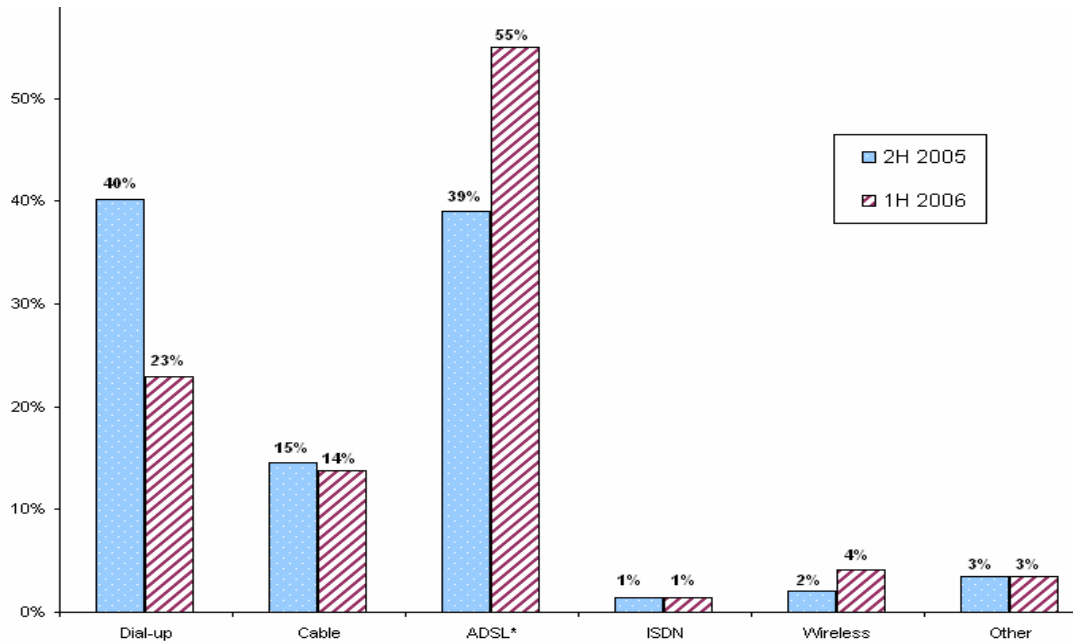
“This was unexpected considering the increased amount of advertising we’ve been subject to in the past six months promoting this new Internet connection”, noted Wealands. “Price obviously still plays a factor and ISPs need to take note that people aren’t always willing to pay more for the convenience of a wireless connection”.

Optus and Big Pond may maintain lion’s share of home-based ISP services, however, the smaller ISPs can still hold their own in areas of reliability, speed of connection and overall customer service.

Of the top eight ISPs which share in 78 percent of the market, smaller players such as Westnet, iiNet and AAPT came in as the top three across the board. Westnet performed the best with respondents, ranking in first place for four of the five categories, including cost of service (60%), helpdesk holding times (74%), technical support (81%) and overall customer service (75%) – iiNet performed the best with speed of connection (83%).

“The smaller ISPs, although not holding a large chunk of the market are slowly showcasing their expertise”, said Wealands. “This is shown through how well their overall performance rates against the big players, in areas like cost, technical support, speed of connection and reliability”.

Chart 1 – What type of access do you mainly use at home?



* Comprising of ADSL, ADSL2 and ADSL+

About ACNielsen

ACNielsen, a VNU business, is the world's leading marketing information company. Offering services in more than 100 countries, the company provides measurement and analysis of marketplace dynamics and consumer attitudes and behaviour. Clients rely on ACNielsen's market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns.

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