# Tips for picking a good value NBN internet plan

With the NBN rollout picking up momentum, it is time to check out the best value plans on the market. We have had a running debate around the ACCAN office about what good value actually means in a telco product – is it the cheapest? What about quality? Good value means different things to different people, for most people it is probably the best quality you can afford.

## 1. Check ISP quality

If you are an occasional user who just gets online for email and a little web browsing, most NBN products will easily perform to your needs. But to get the most out of the extra NBN speed you will want to start streaming high definition (HD) video. Whether it is for overseas video chatting, entertainment, tele-health or work, video performance is the main measure of a good quality internet service provider (ISP).

Previously you might have gone with a tried and tested provider, like Telstra or Optus, or taken a stab in the dark with another provider. Now there are two tools to help you compare ISP performance quality:

- The <u>Google Video Quality Report</u> which shows the average YouTube video performance over a 24-hour period for most providers in your area.
- Netflix's <u>ISP Speed Index</u> which ranks ISP's based on the average speed each delivered its video content.

Both have their limitations, like not distinguishing between NBN and non-NBN services, but they provide a good rule of thumb. For more information on what can affect the quality of your broadband read ACCAN's <u>article on the subject</u>.

# 2. Get enough data

With all of these new services comes much higher data downloads. In December 2015, the average NBN account used <u>128GB per month</u> – which is just over 50 per cent more than the national average of 69GB per month. Data usage is growing with the increasing popularity of streaming and other services that use up lots of data. Choose a plan that suits your data needs. Look at your previous monthly usage to help guide you in how much data you need. If you want to use streaming services on your internet connection, we recommend you look at plans with at least 128GB per month.

# 3. Compare cost

Anyone who has looked at a mobile phone contract knows you need an accounting degree to figure them out. Internet contracts are not much easier – terms like, peak and off-peak, shaping, speed tiers, set-up fees, monthly fees and early termination fees are confusing.

Some general rules are to:

- Avoid offers that split data into "peak and off-peak". We looked at a range of plans and found only one with this split which was still good value.
- Balance big set-up costs against the monthly fee. We found some telcos with no set-up costs and low monthly fees, so it pays to shop around.
- Make sure you are comparing like with like. NBN products allow you to pay for the speed you want. Most providers have four different tiers of speed.

#### 4. Added extras

At ACCAN we are sceptical about bundled extras – while they may be advertised as free, you usually end up paying for them through higher overall prices. Extras can also make it difficult to compare offers because you do not always know the cost of the individual products.

**Voice** – Your provider can supply a voice service. This is called a Voice over Internet Protocol (VoIP) service. Alternatively, you can use online VoIP services such as Skype. VoIP services tend to be a lot cheaper because they run over the top of the internet rather than a dedicated line. This means they can be subject to slow downs or "lag," but the technology is improving all the time and it is getting harder to tell the difference in quality between the two. If you have medical and/or security alarms you should check with your service provider to see if all your services will continue to work.

**Entertainment** – One of the big advantages of the NBN is its ability to stream high definition video. This means you can take advantage of the range of streaming services like Stan, Presto, Netflix and Quickflix. Some ISPs will throw in a few months free subscription to a streaming service or zero rate any data you use on these applications. This means any data you use watching content on a streaming service will not be counted towards your monthly data limit.

## 5. This is still too hard, what are the best value plans?

We have attempted to take our own advice and come up with a list of good value plans. These are all NBN fibre products in the speed tier 12/1Mbps, which should be fast enough for HD video and at least 128GB of data.

Here are the top picks:

- 1. <u>Skymesh</u> 240GB (plus 1TB off-peak), \$69.95/month
- 2. TPG Unlimited data, \$59.99/month
- 3. <u>Belong</u> 500GB, \$65/month
- 4. <u>Internode</u> 500GB, \$69.95/month

The full list – see table below.

# NBN plan comparison table

Company	Cost	Data Inclusion	Setup Cost	Phone	HD streams*	Star Rating
Skymesh	\$69.95	240GB (\$0.3 Per GB)	No setup cost (No modem included)	Additional extra (Choice of VoIP or Phone)	95%	5 stars
TPG	\$59.99	unlimited	\$129.95 (Modem included)	Phone included	81%	4.5 stars
Belong	\$65.00	500GB (\$0.01 Per GB)	\$60 (Modem included)	Additional extra (VoIP only)	93%	4 stars
Internode	\$69.95	500GB (\$0.14 per GB)	\$99 (No modem included)	Additional Extra (Choice of VoIP or phone)	78%	3.5 stars

### More info on comparison table:

- Data inclusions: The average NBN subscriber uses 128GB per month. Only the cheapest 12/1mbps plans from each provider, with at least this amount of data (excluding off-peak data) were compared in the table.
- Setup costs: Some providers waive setup costs if you sign on to a long term contract. For ease of comparison we only compared costs of month-to-month plans.
- HD Streams: This is based on average performance during peak usage time (8-9pm)
  according to <u>Google's Video Quality Report</u> in the Sydney area on 01/03/16. A higher score
  means a greater proportion of HD video delivered to subscribers.
- Star rating: This comparison does not represent the full market, only those providers which met the basic requirements outlined above.
- Where Google Video Quality Report data was unavailable for an individual brand, parent company data has been reported.