

Foreword

Dear readers,

In the first half of 2020, telecommunications and postal services demonstrated their importance for society to an impressive – and surely unexpected – extent. As regulators in these unusual times, we consider it necessary to develop a deeper understanding of the needs of consumers in Austria so that we may continue to strengthen competition in the interest of the users.

From the many interesting findings this report contains, I would like to highlight two trends we consider particularly important. The results of this survey illustrate that consumers in Austria are satisfied with their existing bandwidth – glad tidings, certainly, but also indicative of limited demand for higher bandwidth. In a similar vein, Austria is often ranked poorly in international bandwidth availability benchmarks due to comparatively low demand for higher bandwidth, not necessarily due to a lack of availability. We will therefore continue to ensure that Austria is well prepared for rising demand for higher bandwidths by increasing the availability of reliable, high-bandwidth infrastructure and guaranteeing competition-oriented prices.

Another trend concerns the usage of mobile Internet access technologies: households outside the Austrian federal state capitals use mobile Internet access technologies much more frequently than households in the state capitals. Services and applications based on the Internet are widely used, with increasing intensity, and we strive to ensure that Internet access technologies meeting the requirements of this intensive usage are available to all households and businesses in Austria. One important basis to ensure ubiquitous availability is exact geographic data on the infrastructure offered by operators. Equally important is an accurate understanding of the requirements consumers in Austria have regarding Internet access technologies.

Digital services and applications are increasingly permeating our society. It is high time to set the course and actively shape digitalisation processes for the benefit of society. Our contribution to a digital future for all grounds in the continued promotion of competition and innovation in the interest of consumers. One of the ways we seek to contribute is by providing information on different aspects of the infrastructure enabling fundamental everyday functions, particularly in times of social distancing. In this sense, I wish you an enjoyable read.

Dr. Klaus M. Steinmaurer

Executive Summary

Rural goes mobile. The results of the demand-side survey on telecommunications services (NASE 2020) illustrate that households outside of the Austrian federal state capitals use mobile Internet access technologies more frequently than households in the state capitals. One explanation for this trend may be the higher availability of fixed broadband in cities, in particular in the state capitals. However, no such trend is visible in regards to businesses, as those located within and outside of the state capitals show similar frequency of usage of mobile Internet access technologies. Opposing trends such as these highlight the necessity of the collection of geographic data on broadband usage and infrastructure. Data collections in the context of the Single Point of Information for Broadband Supply (Zentrale Informationsstelle für Breitbandversorgung, ZIB) and the Single Point of Information for Infrastructure Data (Zentrale Informationsstelle für Infrastrukturdaten, ZIS) help to create a more accurate account of the availability of broadband infrastructure. This in turn allows us to understand whether the decision for or against mobile Internet access technologies is based on reasons of availability or e.g. on the need to satisfy individual requirements.

Quality of supply. One aspect of the quality of broadband access is its bandwidth. Nearly 90% of households and businesses in Austria are satisfied or highly satisfied with their current bandwidth. Dissatisfied households and businesses cited slow or not functioning services as the main reason for their dissatisfaction. Another important reason for consumer dissatisfaction is the experience of lower bandwidth than advertised by the operator. Finally, households and businesses become dissatisfied with their current bandwidth when their requirements change over time. We therefore consider it necessary to ensure a more reliable experience by providing consumers with security regarding the quality of their Internet access service. It must furthermore be possible for consumers to be flexible in the face of changing requirements and demands. These measures could also promote the demand for higher bandwidths.

Internet for everything. The Internet is the most important medium of public and private life today, as may be observed through the increased consumption of data volume. Although different people use specific applications and services with different levels of intensity, the differences in usage seem to be stronger between different age groups than between groups defined by other socioeconomic factors. Certain services, however, appear to be used at similar levels of frequency by respondents of all ages in Austria. Two prime examples are e-mails and surfing/searching for information online, which over 90% of respondents of any age use at least once per week.

Affordable diversity. The monthly cost of Internet access for both households and businesses in Austria differs greatly depending on the technology used. Monthly costs of 29 Euro maximum were reported by 77% of households with fixed broadband for hybrid Internet access, by 63% of households for DSL and by 55% of households for CATV. For mobile broadband, 77% of households with this access technology pay a maximum of 29 Euro per month for Internet sticks, while 66% of households pay the same amount for cubes. Considering the increasing importance of Internet-based applications and services for everyday life, it is important to guarantee the availability of affordable and reliable broadband in Austria based on at least one technology.

A bundle of broadband. Stand-alone fixed broadband is used by approximately a third of all households in Austria. The most popular services used in a bundle with fixed broadband are fixed telephony and TV. Fixed broadband bundled with fixed telephony is also a popular combination amongst businesses and used by over a third of businesses with fixed broadband subscriptions in Austria. One of the most frequently cited reasons for businesses to switch to a bundle is the necessity of obtaining Internet access.

Businesses retain fixed telephony. Fixed telephone lines may have been declining in recent years, yet they remain popular amongst businesses in Austria. Simple telephone lines enabling only one call at a time are used by over two thirds of sole proprietorships in Austria. Telephone lines allowing for two or more simultaneous calls are more popular amongst larger businesses, most frequently used by 74% of businesses with fixed telephone lines and over 100 employees.