



COMMERCE COMMISSION

Release of Report for Commerce Commission on Broadband Quality for June 2008 Quarter

Attached is the second quarterly report on New Zealand broadband quality. Commissioned from broadband measurement consultancy Epitiro and ICT analysts IDC, the report examines the quality of broadband service provided by New Zealand's internet service providers (ISPs).

The Commission is pleased to note that the report indicates that in the June quarter there was an overall improvement in the performance of the five largest ISPs.

This is a very promising signal that the regulatory interventions being taken to encourage competitive prices, better quality and incentives to invest are beginning to have an effect.

This quarter, figures relating to TelstraClear have been broken down to more accurately reflect their services.

The report is designed to provide New Zealand consumers, businesses and industry observers with objective data on the how the quality of broadband services is changing over time. The results shown should be viewed as indicative rather than representative of New Zealand broadband performance across the country.

It should be noted that this report forms part of an on-going data series, that over time will provide valuable information on service performance, but on its own does not provide a complete picture at this early stage in the series.

Background

The Commission contracts Epitiro to provide the broadband quality reports. As part of Epitiro's work in the area, Epitiro provides services to Internet Service Providers (ISPs) enabling them to benchmark customer performance across dial up, cable, broadband and wireless connections.

The ISP-ITM platform and technology from Epitiro emulates an Internet user's activity across eleven sites in Auckland, Hamilton, Wellington, Christchurch and Dunedin. It measures twelve ISPs every fifteen minutes on a 24-hour basis across the eleven sites. The platform gathers a range of detailed statistics on eight parameters – synchronisation speed, cached and non-cached HTTP download speeds, ping, connection speed, reliability, DNS and packet loss and email delivery times for independent analyses.

Amendments to the Telecommunications Act have explicitly empowered the Commerce Commission to monitor the performance of telecommunications markets and report on this work. Accordingly, the Commission has been producing regular monitoring reports, including reporting on the quality of broadband services.