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COMMERCE COMMISSION NEW ZEALAND
Te Komihana Tauhokohoko

2025 Telecommunications Monitoring Report

Pūrongo Aroturuki Torotoro Waea 2025

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Foreword | Wāhinga Kōrero

From the Telecommunications Commissioner

Welcome to the 2025 Telecommunications Monitoring Report.

This report comes at an important point for New Zealand's telecommunications sector.

After more than a decade of major investment in fibre and mobile infrastructure, the market is entering a new phase of change. Legacy networks are being retired, new technologies are emerging, and the ways consumers connect and communicate continue to evolve.

The most significant development highlighted in this year's report is the growing impact of those new technologies. Over the past decade, fibre transformed connectivity in urban New Zealand. We are now seeing satellite technologies reshape rural connectivity in much the same way. The rapid growth of low earth orbit satellite services is already changing the competitive landscape in rural broadband, while direct-to-cell satellite services are beginning to expand the ways mobile connectivity can be delivered.

These developments matter because they are beginning to reshape competition and consumer choice. Historically, competition often occurred between providers operating similar networks and technologies. Increasingly, consumers are choosing between different technologies, service models and ways of staying connected. As those choices expand, the telecommunications market is likely to become more dynamic and more complex.

Against this backdrop of change, New Zealand continues to benefit from world-class fibre and mobile networks, with prices that generally compare favourably internationally.

Despite high levels of concentration, New Zealand's telecommunications sector has delivered strong outcomes for consumers.

These outcomes have not occurred by chance.

They reflect regulatory settings that have supported investment, innovation and competition over many years. The challenge has been to strike the right balance between promoting competition where it can develop and applying regulation where competitive constraints are weaker. Overall, that balance has supported substantial investment in telecommunications infrastructure while delivering strong outcomes for consumers.

Maintaining that balance will remain important as the market evolves. Some regulatory settings may need to adapt to reflect changing technologies and market structures, while others may no longer be necessary. The challenge is to ensure regulation remains proportionate, targeted and fit for purpose, supporting innovation and investment while continuing to promote the long-term benefit of consumers.

This is where market monitoring plays an important role. Effective regulation depends on a clear understanding of how markets are changing, how consumers are experiencing those changes, and whether competition is delivering the outcomes it should. Through our monitoring and reporting, we aim to provide transparent, evidence-based insight into how the sector is developing and where opportunities or challenges may be emerging.

Our work over the coming period will reflect these priorities. We will continue supporting technology transition, improving retail service quality and consumer outcomes, and assessing where competition has developed sufficiently for regulation to be reduced or removed. We will also continue strengthening our market monitoring and reporting, helping consumers make informed choices and giving stakeholders greater visibility of how competition and consumer outcomes are evolving across the sector.

I hope this report provides a useful understanding of the current state of the market and the changes shaping its future.

As always, I am grateful to the telecommunications providers and stakeholders who have provided the information that makes this report possible.

Tristan Gilbertson
Telecommunications Commissioner

Chapter 1

Introduction | Whakatakinga

Chapter 1 Introduction | Whakatakinga

Purpose of this report

This is the Commerce Commission's (**the Commission**) 19th Annual Telecommunications Monitoring Report (**AMR**).[1] The purpose of this report is to inform stakeholders on the state of Aotearoa New Zealand's telecommunications sector. In particular, this report provides an overview of competition and key developments in New Zealand's telecommunications markets in the year to 30 June 2025.

This report is prepared and released under section 9A of the Telecommunications Act 2001 (**the Act**). Section 9A requires us to monitor competition in, and the performance and development of, telecommunications markets and to monitor retail service quality (**RSQ**) in relation to telecommunications services.

Layout of this report

This report is structured around the ways in which consumers experience telecommunications services, broadband and mobile. We have continued to split broadband across two chapters to reflect that the consumer experience is different between areas that have access to regulated fibre (**urban**) and those that do not (**rural**):

- **Urban connectivity at home** focuses on the residential fixed location broadband experience where local fibre company (**LFC**) fibre is available.
- **Rural connectivity at home** focuses on the residential fixed location broadband experience where LFC fibre is not available.[2]
- **Connectivity on the move** focuses on personal location-independent mobile services (texting, calling, data) experience.

Each chapter is broken down into four subsections, starting from core telecommunications infrastructure before moving through the wholesale and retail services to the consumer. Within these we focus on both market structure and market outcomes:

1 Previous reports can be found on our website, see: https://www.comcom.govt.nz/regulated-industries/telecommunications/monitoring-the-telecommunications-market/annual-telecommunications-market-monitoring-report/.

2 We have continued to split urban and rural based on fibre availability for the purpose of this report. This aligns with the standard Commission approach but may not align with other agencies' definitions of urban and rural.

- **Infrastructure** covers the physical components of the telecommunications networks—for example, where networks provide coverage and what quality of service networks provide.
- **Wholesale** covers the regulated commercial wholesale market—for example, the wholesale services that are made available by infrastructure owners to Retail Service Providers (**RSP**) and at what prices.
- **Retail** covers the retail market to end consumers—for example, the characteristics of services made available to end consumers and at what prices.
- **Consumer** covers aspects of RSQ—for example, whether consumers can understand offers in the telecommunications market and how satisfied they are with telecommunications services.

There is also a separate Special Topics chapter that covers topics that do not fit within the main structure. This year, the special topics are complaints, broadcasting transmission services, business customers and regional connectivity stories.

Interactive map

Alongside this report, we have also updated our interactive map showing the coverage and connections of each broadband technology in New Zealand.[3] The purpose of the map is to enable geospatial economic analysis, which is included in this report, as well as to provide a useful visual tool for policy makers interested in connectivity.

The map allows users to investigate the connectivity options in different areas of the country and areas that lack connectivity. We encourage people to use it for that purpose. It is not intended to be used as a consumer switching tool.

The map, as with this report, uses data provided to us by telecommunications providers as of June 2025. While we intend to update the map alongside future AMRs, coverage and connections will change between reporting periods and it therefore does not present a 'live' view of connectivity.

[3] This can be accessed here, https://www.comcom.govt.nz/regulated-industries/telecommunications/monitoring-the-telecommunications-market/telecommunications-connectivity-map/.

Data sources

The data in this report is sourced from multiple internal and external sources and these are noted in footnotes throughout the report. Unless otherwise stated, the figures and statistics are as of 30 June 2025 or for the 12 months to 30 June 2025. We provide further detail on the key data sources we have used in Attachment B.

Our views

The primary purpose of this report is to inform readers about the performance and development of telecommunications markets and RSQ in relation to telecommunications services. Accordingly, throughout this report, we report on the year to June 2025. These are our high-level, current views, based on the information available at the time of writing this report. Our views may shift following further analysis and/or further information.

While this report will inform our wider regulatory activities, no direct regulatory intervention will arise based solely on the analysis contained in this report.

Chapter 2

Sector Overview and Outlook | Tirohanga Whānui

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A market entering a new phase of change

New Zealand's telecommunications market is entering a new phase of change.

Over the past decade, the market has been transformed by sustained investment in fibre and mobile infrastructure. That investment has materially improved connectivity across much of the country, accelerated the shift away from legacy technologies such as copper, and expanded the range of services available to consumers.

During the year to 30 June 2025, many of the key aggregate indicators we monitor remained relatively stable. Market concentration across broadband and mobile markets changed little, retail telecommunications prices were broadly stable in real terms, and overall consumer satisfaction levels were largely unchanged.

At the same time, technology disruption continues to reshape competitive outcomes in other areas of the market.

The technology transition in urban areas is now relatively mature following more than a decade of infrastructure-focused investment. Fibre has become the dominant urban broadband technology, mobile coverage has continued to expand, and consumers increasingly have a range of service options available to them.

However, in rural areas, change is occurring more rapidly. A growing mix of fixed wireless access (**FWA**) and satellite technologies are reshaping the connectivity options available to rural consumers. Uptake of low earth orbit (**LEO**) satellite broadband services continued to increase during the year, and the first direct-to-cell (**D2C**) satellite services (initially only SMS) were launched commercially in New Zealand.

These developments are challenging longstanding assumptions about how telecommunications services can be delivered across the country. For rural consumers in particular, connectivity choices are changing rapidly, creating new opportunities but also more complex decisions: consumers will increasingly need to compare services that differ in coverage, performance, reliability, device compatibility, upfront costs and monthly price.

The market position of some of the largest providers also shifted during the year. Each of the largest three retailers lost 1% to 2% of their share of the national broadband market. Several providers are responding by focusing on “back to basics” strategies directed at core services, customer retention and operational performance. Revenue and profitability growth during the year appears to reflect a tight control of expenses rather than significant overall market growth.

By the time this report is published, further changes will already have occurred. The national 3G shutdown will have been completed and additional providers will have launched D2C services. Together, these developments suggest the next phase of market development will be shaped less by network rollout alone and more by changing technologies, maturing infrastructure, resilience pressures, evolving competition and shifting consumer expectations.

The infrastructure build era is maturing

For much of the past decade, the industry was heavily focused on extending fibre and mobile coverage. Network rollout was a central driver of market change and consumer purchasing decisions.

Much of that large-scale build activity has now either been completed or is approaching maturity.

The Ultra-Fast Broadband (**UFB**) initiative materially expanded fibre coverage across urban New Zealand. The Rural Broadband Initiative (**RBI**) and Rural Capacity Upgrade (**RCU**) programme also improved rural and urban fringe connectivity, particularly through expanded FWA coverage and innovative infrastructure-sharing arrangements.

Telecommunications investment declined by around 9% during the year as major fibre and 5G rollout programmes matured.[4] This reflects the changing phase of the sector rather than any reduced importance of telecommunications infrastructure investment.

As the build era matures, the basis of competition is also changing. During the rollout phase, providers competed heavily through network expansion and customer acquisition. Increasingly, competition is shifting towards pricing, service quality, bundling, operational efficiency and the more effective use of existing infrastructure assets.

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4 We have excluded spectrum investment from this figure as spectrum investment is significant yet highly variable year on year. It generally only occurs in the years when there is a spectrum auction.

At the same time, advances in technology mean that infrastructure capable of serving New Zealand consumers does not always need to be physically located in New Zealand. For example, LEO satellite constellations represent substantial ongoing global infrastructure investment capable of delivering telecommunications services directly into domestic markets. During the year, Starlink's global capacity increased by around 50%, from approximately 300Tbps to 450Tbps at June 2025, a result of significant investment in hardware and launches.[5]

Fibre and mobile infrastructure will remain critical long-term assets. However, competitive pressure is increasingly emerging across technologies and services rather than solely between traditional terrestrial networks. This highlights that future business cases may increasingly have a broader—and in some cases more global—basis, as platforms may compete locally without the same local asset footprint as traditional providers.

Continued investment in local assets will still be needed to maintain service quality and reliability. Recent extreme weather events have regularly affected telecommunications networks and consumers' ability to stay connected, including in areas such as emergency response, work, education and social services. Investment to make networks more resilient, and to restore services more quickly after outages, has therefore become an important focus for network operators.

This resilience challenge is likely to grow. More frequent severe weather events, combined with ageing legacy technologies such as copper becoming harder and more costly to maintain, mean the sector will need to continue investing not only in new capability, but also in continuity of service.

Technology options are reshaping connectivity and competition

Technology change over the last decade has typically involved the expansion of fibre and, where feasible, the rollout of more modern FWA technologies such as 4G and 5G fixed wireless access (**4G/5G FWA**). This has generally followed an "urban first" business model.

In urban broadband markets, fibre remained the dominant technology, accounting for 84% of connections at June 2025. Fibre growth was relatively modest during the year, reflecting the maturity of rollout. Investment in 5G was the main driver behind the 4% growth in the number of urban FWA connections.

[5] Starlink "Progress 2025" page 11, see https://starlink.com/public-files/starlinkProgressReport_2025.pdf.

In rural markets, the pattern of change is different. Improving rural connectivity has historically depended on extending terrestrial infrastructure into increasingly difficult and costly areas.

LEO satellite services are now changing that dynamic.

For many rural consumers, high-performing broadband no longer depends on a fixed terrestrial connection to the home or proximity to a mobile tower. Where there is sufficient line of sight to the sky, LEO satellite services can provide a broadband option with broad geographic coverage and strong performance.

These technologies have materially expanded the range and performance of broadband services in rural areas. They have proved particularly popular with rural consumers, who have historically had fewer connectivity choices than their urban counterparts. This has resulted in New Zealand having the highest uptake of satellite broadband in the Organisation for Economic Co-operation and Development (**OECD**) on a per capita basis, and the third highest uptake of 4G/5G FWA broadband.

The performance shift is also significant. At April 2025, Starlink's Residential and Residential Lite plans had (24/7) average download speeds of 226Mbps and 200Mbps respectively. This was around four times faster than the next fastest rural alternative, 4G FWA at 56Mbps. This performance advantage appears to have contributed to Starlink becoming the largest rural RSP, with 27% market share of the rural broadband market at 30 June 2025. This has been primarily fuelled by consumers coming off legacy copper.

Mobile markets are also beginning to be influenced by satellite-enabled services. D2C satellite services arrived in New Zealand in December 2024. While still at an early stage of development and available only to a subset of customers, these services are evolving rapidly. Initially limited to text messaging, functionality has already expanded, with limited data services and additional communications functionality, including WhatsApp calling, becoming available for eligible customers. At this stage D2C services are primarily complementary to existing mobile networks, extending connectivity options in remote and hard-to-reach areas. However, as the technology develops, they have the potential to play a more significant role in how mobile connectivity is delivered.

At the same time, legacy network withdrawal is continuing across multiple technologies. Most urban copper services have now been retired where fibre is available, with urban copper broadband connections declining to around 12,000 at June 2025. Many rural consumers are also moving away from copper, primarily to better performing FWA and LEO satellite services. Customers have started to be migrated off One NZ's hybrid fibre coaxial (**HFC**) network, and the national 3G shutdown was completed following the reporting period. Ahead of the shutdown, providers expanded 4G coverage to replicate 3G coverage as far as practicable (as at June 2025, 4G was available to more rural addresses than 3G ever was) and supported the transition to newer technologies.

In urban areas, the technology transition is more mature. Consumers generally have multiple connectivity options and can make broadband and mobile purchasing decisions based on factors such as price, speed, service quality and customer support rather than basic coverage. The wholesale fibre speed upgrades introduced in June 2025 likely reflected competitive pressure from 5G FWA, reinforcing that urban broadband competition remains focused on the balance between price and performance.

For rural consumers, the emergence of LEO satellite has altered the coverage question. Once another LEO satellite provider enters the market, competition may increasingly shift towards the types of factors already seen in urban markets—including price, customer service, digital service offerings and performance—rather than simply whether a service is present.

In the short term, LEO satellite services are increasing consumer choice and competitive pressure in some areas. However, over the longer term, the economics and market structure associated with satellite-based connectivity may also raise new questions around competition, substitutability and market concentration.

Competition is becoming more fluid

Historically, competition in telecommunications markets often occurred between large providers operating within relatively clear market segments. While highly concentrated, the outcomes that have been delivered in the markets, including world-class fibre and mobile networks, and pricing that compares similarly internationally, have been as a result of careful balance of competition and regulation.

In urban areas, the rollout of wholesale fibre services has supported competition based on price, speed, service quality and bundling, including bundles involving mobile, broadband, power or streaming services. In rural areas, competition has been shaped more heavily by technology coverage and infrastructure availability.

During the year to 30 June 2025, competitive dynamics continued to evolve across both the broadband and mobile markets.

Although overall market concentration remained relatively stable, competition strengthened at the margins. Mobile Virtual Network Operators (**MVNO**) and energy retailers continued to grow market share and Starlink increased its market share in some segments. Energy retailers in particular continued expanding into broadband markets through bundled offerings, with the number of consumers on bundled broadband and energy plans increasing by 13% during the year.

Retail mobile competition also continued to develop incrementally. MVNO market share increased by 0.7 percentage points to 3.2% at 30 June 2025. However, by international standards, this is still low.

This remains notable because MVNOs were clear price leaders. At June 2025, MVNO postpaid plans were on average 5% cheaper across all data tiers, while prepaid plans were 36% cheaper on average than those from mobile network operators (**MNOs**). For customers wanting high or unlimited data plans, MVNOs were on average around 27% cheaper than MNOs.

In rural areas, some of the largest retailers lost market share as Starlink made significant gains. The rural broadband market nevertheless remained less concentrated than the fibre-dominated urban market, with a number of smaller providers, including Wireless Internet Service Providers (**WISPs**), operating in rural areas. These regional providers are holding their ground, but the market hasn't fully settled—with shifting performance, competition, and consumer choices starting to reshape how those positions are sustained over time.

Across both retail and wholesale markets, competition appears increasingly focused on pricing, service performance, bundling, operational efficiency and the more effective use of existing infrastructure assets.

Consumer substitution patterns are also changing. During the year, consumers will have increasingly relied on mobile and internet-based services for voice communication. Traditional fixed line voice services fell by 15%, although rural households remained more likely than urban households to retain a landline.

These developments suggest traditional market boundaries are likely to continue evolving as technologies, services and consumer behaviour change. Broadband, mobile, energy and digital service offerings are becoming more interconnected, and competition is increasingly occurring across broader service ecosystems rather than through individual telecommunications products alone.

In rural broadband, further LEO satellite provider entry could accelerate this shift. The expected entry of Amazon's LEO service is likely to represent the next major competitive development in rural broadband, with other satellite providers and D2C services also expected to enter the market over time. This will provide a clearer indication of how competition develops in markets where multiple LEO satellite providers are available. Competition between multiple LEO satellite providers may lead to more service differentiation in aspects like price, performance, service quality and customer experience as they seek to attract and retain customers. We will continue to monitor the competitive effects of Starlink's connection growth and the impact of additional LEO satellite providers as they enter the market.

D2C services will also be an area to watch. One important question is whether D2C functionality becomes broadly available or remains limited to particular devices, plans or providers. The emergence of D2C may also affect whether rural consumers continue to retain traditional landline services (over any technology) over time.

Consumer outcomes remain mixed

Competition, technology changes and infrastructure investment have continued to improve connectivity options across much of New Zealand. However, these improved options are not consistently translating to a better consumer experience as consumer outcomes remain uneven and the benefits of change are not being seen equally across all parts of the market.

Differences between urban and rural experiences remain particularly evident. Rural broadband consumers continue to pay more for connectivity, spending around $13 more per month on average than urban consumers. Rural mobile consumers continue to experience lower levels of mobile coverage than their urban counterparts. Rural households also spend a greater share of their income on telecommunications services.

International comparisons present a mixed picture. New Zealand consumers paid around $13 less per month than the OECD average for 4G FWA services, but around $5 more per month for fibre services.[6] In the mobile market, prepaid customers paid $8 less than the OECD average, while postpaid customers paid $19 more.[7] Long-term trends indicate that prices for telecommunications services have increased at a slower rate than many other essential services both in New Zealand and overseas.

Despite this, consumer satisfaction also remains below the Commission's benchmark levels. Overall satisfaction remained at 69%, below the Commission's 80% benchmark, and below levels observed two years ago, while broadband net promoter scores (**NPS**) remained negative. Consumers generally reported higher satisfaction levels with smaller providers than with larger providers. This suggests that size does not automatically translate into better customer experience. Reliability, pricing, customer support, and service performance all continue to shape how consumers experience telecommunications markets in practice.

At the same time, switching activity remains relatively limited. Annual broadband switching was around 11% during the year, while mobile switching was around 7%. By comparison, annual switching in the electricity sector is around 19%. The combination of below-benchmark satisfaction and relatively low switching suggests there remains scope to strengthen competitive pressure by making it easier for consumers to compare services and change provider. Switching is a critical driver of competition, enabling consumers to exercise choice and helping competitive pressure translate into better outcomes. However, perceived and actual barriers to switching continue to dampen movement between providers and technologies.

As legacy networks continue to be withdrawn and consumers face increasingly complex technology choices, ensuring that consumers can access clear information and can compare services and switch easily will remain important. These factors will play a key role in determining whether the benefits of competition and innovation flow through to consumers over time.

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6 This is an average across Fibre 50, Fibre 300 and Fibre Max speed tiers. Higher fibre prices likely reflected New Zealand's geography and lower population density than most of the other OECD countries, which meant the fibre network rollout costs that needed to then be recouped were higher in New Zealand. Profitability analysis of the four fibre wholesalers found ROI higher than WACC for two of the four LFCs (and not for Chorus, by far the largest LFC), driven in part by tax and short-term operating expenditure impacts.

7 The methodology used by the OECD for pricing comparisons takes the cheapest equivalent plan from each OECD country. As such, outlier/special plans can distort these comparisons significantly, so results may not represent longer term pricing patterns. They should be interpreted with caution.

Looking ahead

In this next phase of market development, the main drivers of change are likely to differ from those of the past decade. The ongoing evolution of existing infrastructure will remain important, but the next phase is likely to be shaped more critically by the interaction of existing and emerging technologies and services, alongside resilience pressures, changing competitive strategies and evolving consumer expectations.

Satellite-enabled connectivity is likely to be one of the most important drivers of further change in the next phase of market development. In rural areas especially, LEO satellite services are already changing what consumers can reasonably expect from broadband, while D2C services may, over time, begin to alter how mobile coverage is understood in remote or hard-to-reach areas. At the same time, the continued withdrawal of legacy technologies will require consumers to make active choices about replacement services, often in a market where the available options are becoming more varied, but also more complex to assess.

Competition is likely to become more fluid in the next phase of market development. In many parts of the market, the key competitive question is likely to shift further away from whether coverage can be extended, and more towards how providers differentiate themselves on price, service quality, resilience, customer support and the effective use of existing infrastructure. The sector may also see increasing competition across technologies and service models, rather than only within traditional market boundaries.

Resilience is likely to become a more prominent part of that picture. As telecommunications services become more central to economic and social participation, and as severe weather events continue to place pressure on network performance and recovery, the ability of networks to remain available—or to be restored quickly when outages occur—will matter more. This means future investment will be defined not only by expansion or upgrade, but also by the ongoing need to maintain reliability and continuity of service.

The next phase of market development will be defined not simply by continued change, but by whether that change delivers clear benefits for consumers. The main challenge will be to ensure that competition, innovation and investment translate into affordable prices, reliable services, better information, easier switching and confidence that evolving technologies are working in consumers' interests. Supporting those outcomes will remain a central focus of the Commission's monitoring and regulatory work.

New Zealand telecommunications snapshot

Four in five urban addresses were in coverage of 5G FWA

The urban broadband market got **more competitive** as MNOs lost market share

Fibre was the broadband technology of choice for **84%** of urban households

MVNOs are slowly taking mobile market share from the MNOs—**up to 3.2%**

Rural households pay on average **$13 more** per month for their broadband service

Starlink became the largest rural RSP with **27%** of rural connections

Consumer satisfaction remained **below benchmarks**

Only seven percent of mobile consumers switched provider during the year

LFCs **boosted the speeds** of two fibre plans in June 2025

Rural consumers were less satisfied than their urban counterparts

We continued to have the highest number of satellite connections per capita—**1.3 per one hundred people**

Nearly **60%** of urban consumers who switched providers did it to pay less

New Zealand telecommunications snapshot statistics[8]

	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Total industry metrics											
Total telecommunications retail revenue ($bn)	5.11	5.28	5.37	5.42	5.32	5.22	5.17	5.26*	5.63	5.67*	5.62
Total telecommunications investment ($bn)	1.77	1.59	1.58	1.66	1.71	1.61	1.62	1.49	1.59	1.61	1.39
Fixed line metrics											
Fixed lines (mil)	1.86	1.87	1.79	1.76	1.85	1.91	1.97*	2.10	2.05*	2.05*	2.06
Total fixed broadband connections (mil)	1.45	1.50	1.58	1.65	1.70	1.76	1.80	1.86	1.95	1.98	2.01
Fixed line broadband connections per 100 population	32.0	32.5	32.9	33.7	34.4	34.6	35.2	36.4	37.3	37.2*	37.8
Fixed monthly data use per broadband connection (GB)	48	69	117	172	207	284	332	414	432	482*	548
FWA connections (000s)	20	27	122	165	191	221	276	315	370	390	397
Copper broadband lines (000s)[9]	1270	1171	976	806	620	487	330	241	167	111	68
Regulated (LFC) fibre connections (000s)[10]	106	241	413	605	821	1,004	1,151	1,259	1,345	1,395	1,493+
Chargeable fixed voice call minutes (bn)	4.66	4.34	3.44	3.10	2.72	2.44	2.09	1.91	1.55	1.20*	1.03
Total fixed line retail revenues ($bn)	2.58	2.60	2.62	2.58	2.49	2.39	2.25*	2.27*	2.41	2.37*	2.34
Mobile metrics											
Mobile connections (mil)[11]	5.8	6.1	6.4	6.4	6.0	6.2	5.8	6.0	6.6	6.8	6.9
Active mobile connections per 100 population	127	129	134	131	122	122	114	116	126	127	129
Share mobile prepaid (%)	62.3	60.7	60.3	58.1	52.7	51.8	45.4	43.4	45.3	45.8	46.3
Average monthly mobile data usage (GB)	0.47	0.72	1.25	2.04	2.75	3.29	4.21	4.84	6.01	7.36	8.40

[8] We have revised several figures from previous years following providers correcting historical figures and our subsequent recalculation and QA checks. Revised figures are denoted by an asterisk.

[9] Data from Chorus.

[10] The data for the years 14/15 to 23/24 is from National Infrastructure Funding and Financing Limited (**NIFF**). We have used Commission figures for connections this year (see our Urban Infrastructure section for an explanation). As such, this figure does not represent the actual change from 23/24. For comparison, the NIFF figure for the year was 1.435m.

[11] Prepaid connections for all years are counted as those active in the prior six months.

	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Mobile voice call minutes (bn)	6.6	7.8	8.8	9.3	9.4	10.1	10.5	11.2	10.9	10.6	11.0
Text messages sent (bn)	12.1	11.3	9.2	8.8	8.1	7.3	7.3	6.7	6.2	5.5*	4.8
Total mobile retail revenues($bn)	2.54	2.68	2.75	2.83	2.83	2.83	2.93	2.99	3.22	3.30*	3.28

Chapter 3

Urban Connectivity at Home | Honotanga i ngā Tāone

Chapter 3 Urban Connectivity at Home | Honotanga i ngā Tāone

Urban areas include all fibre areas—anywhere regulated fibre services are available from an LFC. This includes around 2.03m New Zealand addresses (85%).

2025 highlights

Infrastructure

> 5G FWA reached more than 80% of urban addresses.

> Our Measuring Broadband New Zealand (**MBNZ**) programme testing shows 5G FWA outperformed Fibre 300 on download speed (353Mbps vs 313Mbps) but has around half the upload speed (50Mbps vs 108Mbps).

> Fibre networks stayed highly reliable nationwide, with low fault rates and minimal downtime.

> The LFCs boosted Fibre 300 to Fibre 500 and Fibre 50 to Fibre 100 in June 2025.

Wholesale

> Fibre 300 (now Fibre 500) was still the top plan, but its share slipped from 64% to 61% as more consumers shifted to Fibre 50 (now Fibre 100).

> All LFCs continued discounted Fibre 50 offers with retail price caps, lifting Fibre 50 uptake from 10% of wholesale fibre connections in June 2024 to 14% in June 2025.

> Urban copper wholesale broadband connections dropped 68% to 12,000 (6,000 in Chorus areas and 6,000 in other LFC areas), with the decline reflecting the ongoing urban copper withdrawal process, which is still underway ahead of planned network shutdowns in fibre-served areas.

Retail

> The largest three retailers' share of the urban market eased from 76% to 72% as energy bundlers grew; broadband/energy bundles rose to 335,000 in 2025 (up 13%).

> Retail broadband prices were broadly steady, with small shifts by technology; fibre prices edged up while 4G/5G FWA pricing was mixed.

Consumer

- Price is the primary driver of switching with nearly six in ten consumers who changed provider doing so to pay less (ahead of speed, service and reliability).
- Fibre installation satisfaction improved, with missed appointments down sharply and quality rated highly across providers.
- Urban broadband satisfaction remained below target: consumers continue to report speed, reliability and value-for-money issues despite strong fibre availability.

Infrastructure | Hanganga

Telecommunications infrastructure—the physical components that connect homes and businesses to voice and broadband services—provides the foundation for how the rest of the market operates in New Zealand. In urban areas, there are often multiple sets of overlapping infrastructure owned and operated by competing network operators.

This section looks at how different broadband technologies are spread across urban areas, including where they are available, how easy they are to access, and how widely they are used. It also highlights how these technologies perform, drawing on insights from our MBNZ programme.

Urban areas are anywhere that is a fibre area—any geographic area where a regulated fibre provider's (LFC) fibre access network is present (the network footprint) and regulated fibre services are available to end users.

Network coverage (broadband services)

Coverage vs availability

A wide range of technologies can be used to access broadband in urban areas. These technologies cannot all be accessed in the same way. This gives rise to differences between coverage and availability:

- **Coverage** is where a network is physically present in a certain area. For example, fibre coverage is where fibre has been laid, while FWA coverage is where someone can detect some level of signal at that location.
- **Availability** goes beyond coverage and requires someone to also be able to access that service with it performing as reasonably expected.

Some people may be in coverage of a broadband service but unable to access it. This could be due to congestion on the network, meaning no new consumers in an area can buy a service even if they are in range (common with FWA), or if an RSP is no longer selling a service despite infrastructure availability, such as copper cabling running past someone's door.

For the purposes of this report, unless specified otherwise, our analysis focuses on coverage (where the network is present) rather than availability as this can differ by location. The distinction between coverage and availability applies to broadband services only. We do not distinguish between coverage and availability for mobile services.

Table 3.1 highlights the technologies present in urban areas of the country and the change in urban coverage from 2024.

Table 3.1 Urban technology coverage change

Technology	2024 urban coverage	2025 urban coverage	Change
Fibre	100%	100%	No change
4G FWA	99%	99%	No change
5G FWA	67%	82%	+15 percentage points
HFC	11%	11%	No change
WISP non-cellular FWA (NC FWA)	47%	66%	+19 percentage points

Source: Commission data

By definition, fibre coverage in urban areas remained at 100%, and we saw no change for 4G FWA or HFC. We discuss the growth in 5G FWA in the 4G and 5G FWA broadband sections.

2025 saw a large growth in urban coverage from WISP non-cellular FWA (**NC FWA**) services. This growth is explained by two key things:

1. The conversion of previously rural addresses with WISP coverage to urban as fibre is rolled out to them; and
2. We added several WISPs into our data this year which grew the coverage in both urban and rural areas.

We discuss WISP coverage, offerings and pricing further in the Rural chapter, as WISPs primarily target rural consumers.

Fibre

The national fibre to the premises network in New Zealand was primarily built through a public-private partnership known as Ultra-Fast Broadband (**UFB**) between 2009 and 2022. There are four regulated fibre providers—referred to as Local Fibre Companies (LFCs)—who were contracted to build and operate the network in different geographic areas:

- **Enable** operates in the wider Christchurch area.
- **Northpower** operates in Kaipara and Whangārei.
- **Tuatahi First Fibre (Tuatahi)** operates in parts of Waikato, Bay of Plenty, Taranaki and Whanganui.
- **Chorus** operates in the remaining mainland areas of New Zealand.

The UFB programme was completed in December 2022, allowing 1.8 million homes and businesses (87% of New Zealanders at the time) to access fibre.

These networks are required to be open access meaning the LFCs sell wholesale fibre services over their networks to RSPs who retail them to end households and businesses.

The LFCs continue to expand their fibre networks over time.

As fibre is not affected by congestion, anyone in coverage of a fibre network can (generally) access it. As such, for fibre networks, coverage = availability.

The four LFCs range significantly in size, with Chorus by far the largest and Northpower the smallest (Table 3.2).

Table 3.2 LFC wholesale fibre connections

LFC	Connections
Chorus	1,115,000
Enable	162,000
Northpower	26,000
Tuatahi[12]	197,000

Source: LFC publications

12 Data is as of 31 March 2025. This is the latest public figure from Tuatahi available to us.

In previous AMRs, we have reported on the number of premises passed (fibre has been laid past the premises) and uptake of 'UFB fibre' using data reported by National Infrastructure Funding and Financing Limited (**NIFF**).[13]

This year we have moved to report on the number of premises passed by LFC networks and fibre uptake using Commission datasets collected annually (we use the term addresses). This allows us to be more consistent in both the terminology and data we use throughout this report. It also provides a more consistent long-term comparison going forward in these reports with the UFB programme having finished in 2022.[14]

For completeness, Table 3.3 sets out the small differences that arise between NIFF figures and our internal results. These variations arise due to differences in the timing, collection, treatment and processing of the data.

Table 3.3 NIFF and Commission regulated fibre presence and uptake

Data source	Premises/addresses passed	Fibre uptake
Commission data	2,030,400	73.5%
NIFF data	1,982,300	72.4%*

Source: NIFF publications and Commission data.

* We note that NIFF report this as 72.7%. We have reported it as 72.4% to align with the methodology we have used in previous AMRs. The difference arises due to a small number of RCU fibre connections included in NIFF data which we treat differently.

13 NIFF "Connectivity Updates", https://nationalinfrastructure.govt.nz/publications/.

14 There was also a correction in methodology by LFCs in the data reported to NIFF between June 2024 and June 2025. NIFF explained that LFCs had previously only been counting new connections and not new fibre builds (which had fibre available), making uptake as a % of premises that could get it appear higher than it actually was. As such, the NIFF figures have changed significantly to correct this disparity as of June 2025, so changing to use our internal data at this same point means this correction is not reported here.

During the year, Chorus started its first major fibre expansion since the UFB programme ended in 2022, extending fibre to 10,000 homes and businesses across 59 communities nationwide.[15] The build focused on areas near existing infrastructure and was expected to finish by mid-2025. As of 30 June 2025, 4,500 premises were ready to connect.[16] Chorus publicly stated it would like to extend fibre broadband to 95% of New Zealanders. This plan was endorsed by the Infrastructure Commission, Te Waihanga, as part of its Infrastructure Priorities Programme in June 2025.[17]

Fibre coverage across New Zealand

We define urban areas as anywhere that is a fibre area—where a regulated fibre provider's (LFC) fibre access network is present. Figure 3.1 highlights the fibre areas in New Zealand. We describe any parts of the country outside of these areas as rural.

We estimate that 85.2% of New Zealand addresses were in a fibre area—and are thus deemed 'urban' for the purpose of this report—as of 30 June 2025.[18] For comparison, we estimate it was 84.7% at 30 June 2024.[19]

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15 Chorus "Chorus extends fibre to 10,000 homes and businesses in 59 communities across New Zealand" (15 February 2024), https://company.chorus.co.nz/media/releases/chorus-extends-fibre-to-10-000-homes-and-businesses.

16 Chorus "FY25 Results Presentation" (25 August 2025), page 14 https://assets.ctfassets.net/7urik9yedtqc/nzx-doc-450317/13dcf8c3807c9d93d5d68934b93855c8/2_Chorus_FY25_Investor_Presentation.pdf.

17 Chorus "Annual Report 2025" (2025), page 13 https://assets.ctfassets.net/7urik9yedtqc/nzx-doc-450318/a04a875fb30ba26e4c0ee30c35ddb7c8/chorus-annual-report-2025-including-audited-financial-statements.pdf.

18 This uses a different dataset and methodology from NIFF so we would not expect it to align with the reported 87% of New Zealand population the UFB programme hit upon completion in 2022.

19 Growth in this % could occur through a number of ways including LFCs extending their fibre networks, subdivisions creating new addresses which are in coverage or the total number of addresses declining year on year.

Figure 3.1 Urban areas of New Zealand–fibre areas where regulated fibre services were available

Source: Commission data presented in our connectivity map

Cellular 4G and 5G FWA

Broadband can be provided over cellular networks.

Cellular fixed wireless broadband (**4G/5G FWA**) uses much of the same infrastructure and spectrum as mobile calling, text and data services. In most cases, 4G/5G FWA is restricted to a set location and is delivered via a router.

The 4G/5G FWA coverage offered by mobile networks is based on the type and amount of spectrum the MNO has acquired as well as the number and position of sites (towers and masts) that host necessary equipment.

Topographical features such as trees, buildings and other structures can result in localised coverage gaps, and the number of people potentially using a site at any one time is also an important consideration for these operators. As performance is impacted by the number of people connected, operators may put in place ‘stop-sells’—temporary non-sell orders—for specific plans or locations until capacity is freed-up to improve performance or allow new users.

In New Zealand, there are three national mobile networks, operated by 2degrees, Spark and One NZ. All three of these MNOs offer 4G/5G FWA using their 4G and 5G networks.

4G/5G FWA coverage differs from other 4G and 5G mobile services. The primary reason for the coverage difference is that 4G/5G FWA services require and use significantly more network capacity than other mobile services (such as voice and text).

Structurally, the New Zealand market allows for greater levels of FWA than many other countries due to lower population densities, which result in a higher MHz to subscriber ratio.

As of June 2025, over 99% of urban addresses were within coverage of a 4G FWA service from at least one MNO,[20] with localised capacity and ‘stop-sells’ (see ‘Copper’ box) dictating whether such a service is available to access or not.

Urban 5G FWA coverage continued to grow and covers 82% of urban addresses. This was up from 67% in 2024 and 33% in 2023.

[20] In this year’s Annual Monitoring Report, we have continued to count land parcels with more than 50% coverage from a technology as in coverage.

As at June 2024, MNOs were investing in standalone 5G technology, which will improve the performance of the 5G network.[21] Spark was planning to increase 5G connectivity to 130 locations with a population over 1,500 by the end of FY26.[22]

Copper

Chorus operates the copper network across New Zealand. At its peak, this covered 98% of the population. In March 2023, Chorus implemented a 'stop-sell' on new copper connections in fibre areas.

The copper network supports voice and broadband (Asymmetric Digital Subscriber Line (**ADSL**), Very high-speed Digital Subscriber Line (**VDSL**)) services. Chorus is able to withdraw copper in areas where the Commission has declared that fibre services are available—subject to the minimum requirements set out in the Copper Withdrawal Code (**CWC**).

As at 30 June 2025, Chorus reports that around 12,000 copper lines remained in service in urban areas, with copper services no longer available to new customers. Chorus also noted in regulatory submissions that a small subset of the remaining copper connections nationally are voice-only, with no associated broadband service.[23, 24]

Hybrid fibre coaxial

Hybrid fibre coaxial (**HFC**) is a broadband network that combines fibre and coaxial cable (copper). HFC networks were commonly employed by cable television operators from the early 1990s.

The HFC network in New Zealand is owned by One NZ and was built in parts of Wellington, Kāpiti Coast and Christchurch.

We understand One NZ has written to HFC customers in some areas to start to migrate them off the HFC network to alternative technologies.

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21 Spark "Spark Annual Report FY24" (2024), page 39 https://investors.sparknz.co.nz/FormBuilder/_Resource/_module/gXbeer80tkeL4nEaF-kwFA/file/2024_Spark_Annual_Report.pdf.

22 Ibid, page 83.

23 Chorus "Q4 FY25 Connections Update" (July 2025), page 7 https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

24 As per its FY25 Annual report, Chorus plans to have completed its urban copper withdrawal programme and have the copper network shut down in urban areas by mid-2026, six months earlier than expected. Chorus "Chorus Annual Report 2025 (including audited financial statements)" (August 2025), https://company.chorus.co.nz/investors/financial-reports/financial-results-presentations/2025-full-year-financial-results.

One NZ did not report any significant changes to HFC network coverage over the last two years.

Performance

Broadband performance is about how much and how quickly data can move between the end user and the online content they are accessing. This data moves back and forth across telecommunications infrastructure, from the end user's device to servers around the world. We independently measure this through our MBNZ programme.

Our analysis of broadband performance in urban areas covers fibre, HFC, 4G cellular FWA, 5G FWA, LEO satellite, VDSL and ADSL technologies.

The underlying nature of the technology delivering the connection inherently limits its maximum performance capabilities. For example, copper-based services like ADSL and VDSL are constrained by the physical length and degradation of the lines, while FWA technologies like 4G FWA can be impacted by distance to the nearest cell tower and local network congestion.

Each broadband connection needs a router. Consumers usually obtain a router by buying, renting or receiving one from their broadband provider when signing up to a broadband plan, or buying one from a consumer electronics retailer. Performance is highly dependent on the router used.

In this section, we evaluate the performance of these technologies across four key metrics:

- Speed: The rate at which data is transferred (download and upload capacity).
- Latency: The delay in data transmission between the user's device and the server.
- Netflix: The ability to stream UHD content on multiple devices simultaneously.
- Reliability: The number and duration of faults.

To undertake the analysis, we have split our MBNZ results into urban and rural areas. The results for broadband performance in rural areas can be found in the Rural chapter.

Broadband speed

Download and upload speeds (measured in Mbps) indicate how fast data travels between the internet and the modem or router in the home. Actual user experience depends on several factors, including network congestion, Wi-Fi strength, latency, server performance and the number of connected devices.

The table below provides a general guide to what different download speeds are typically supported under normal household use.

Download speed	Online experience
0–5Mbps	Suitable for basic internet use such as browsing websites, email and video streaming in low resolution (up to 720p) on a single device. Large downloads take a long time. A 1GB file at 5Mbps takes approximately 25–30 minutes.
5–40Mbps	Generally supports high definition (**HD**) streaming (1080p) on one or two devices, or UHD streaming on a single device under good conditions. Large files download in a reasonable time. A 1GB file at 40Mbps takes just over three minutes.
40–100Mbps	Comfortably supports UHD (4K) streaming on at least one device while other household members browse or stream HD content. Suitable for moderately large downloads, such as smaller modern game releases. A 20GB file at 100Mbps takes around 25 minutes.
100–500Mbps	Well suited to households with multiple users streaming UHD video simultaneously. Large downloads complete quickly (a 1GB file at 500Mbps takes roughly 15–20 seconds). Larger game downloads (around 80GB) typically complete in under 25 minutes.
500–1000Mbps	Allows very fast downloads of even the largest files. Large video games (approximately 120GB) can download in around 15–20 minutes, assuming no server-side limits.
1000–8000Mbps	Significantly faster than standard fibre plans. Designed for high-demand households, content creators, or users transferring very large files regularly. For example, a 120GB download at 4000Mbps can complete in approximately four minutes under optimal conditions.

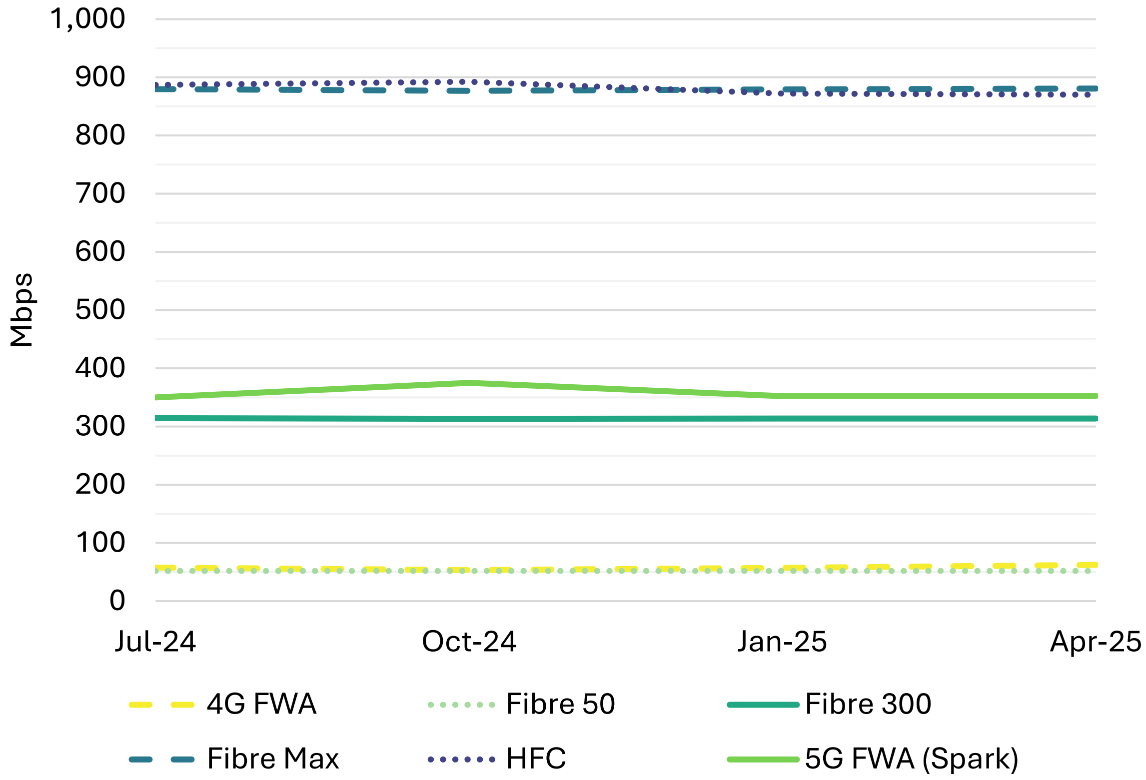
Upload speeds should be considered alongside download speeds. The main applications where the impact of upload speed is apparent are file transfers and video conferencing. Lower upload speeds can result in longer file sync times and reduced video call quality, even when download speeds are high.

In June 2025, the LFCs started to roll out speed boosts for two of their wholesale fibre plans. Fibre 50/10 became Fibre 100/20 and Fibre 300/100 moved to Fibre 500/100. These speed changes were passed through by retailers to their customers in the last half of 2025.

We refer to these plans as Fibre 50 and Fibre 300 throughout this report as these were the speeds for these plans for most of the year in scope of this AMR. Next year's AMR will show the boost in speeds some customers received from June 2025.

Figures 3.2 and 3.3 show the average urban download and upload speeds for the technologies measured by the MBNZ programme between July 2024 and April 2025.[25]

Figure 3.2 Average urban broadband download speeds (24/7)



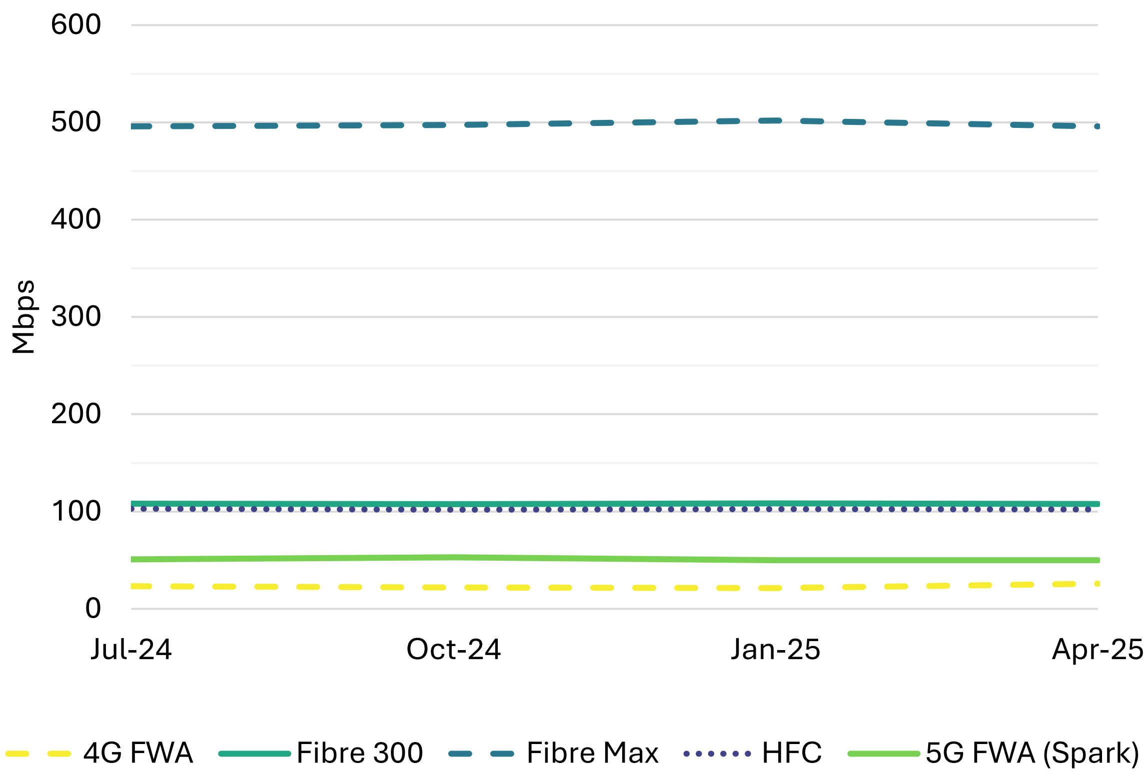
Source: Commission analysis of MBNZ data

25 The April 2025 reporting period was the last period where data was collected for the year in scope (year to 30 June 2025).

Average download speeds across urban technologies stayed stable throughout the year. Fibre 50 and 4G FWA offer very similar download speeds (between 50 and 60Mbps) while the same holds for Fibre Max and HFC, with high download speeds at 888Mbps and 918Mbps respectively. Fibre 300 download speeds sit slightly over 300Mbps while Spark's 5G FWA service was slightly higher averaging around 350Mbps. For urban consumers, 5G FWA represents a significant increase in speed from 4G FWA and competes strongly with the lower speed fibre plans.

Figure 3.3 highlights that the average upload speeds across urban technologies also remained stable in the last year.[26]

Figure 3.3 Average urban upload speeds (24/7)



Source: Commission analysis of MBNZ data

[26] This figure does not include Fibre 50 upload speeds. Average upload speeds for Fibre 50 are not included in the MBNZ reports due to different upload allocations across LFCs. There were not enough Whiteboxes on Fibre 50 to split upload results by LFC.

Fibre Max continued to have significantly higher upload speeds than the other plans tested. Higher upload speeds help ensure a consistent experience, particularly for video conferencing and for smooth online gaming. 5G FWA upload speed continued to be less than half that of Fibre Max and HFC. This means that 5G users may notice more lag and lower quality when sending data, especially when multiple people are online at the same time.

OECD speed comparison

The Speedtest Global Index reports monthly mobile and fixed broadband performance worldwide using real-world data from Ookla's Speedtest platform. With millions of tests run daily across the largest global server network, the index captures how people actually experience their internet connections. As a result, countries with more advanced fibre and mobile networks generally achieve higher rankings than those with older infrastructure.

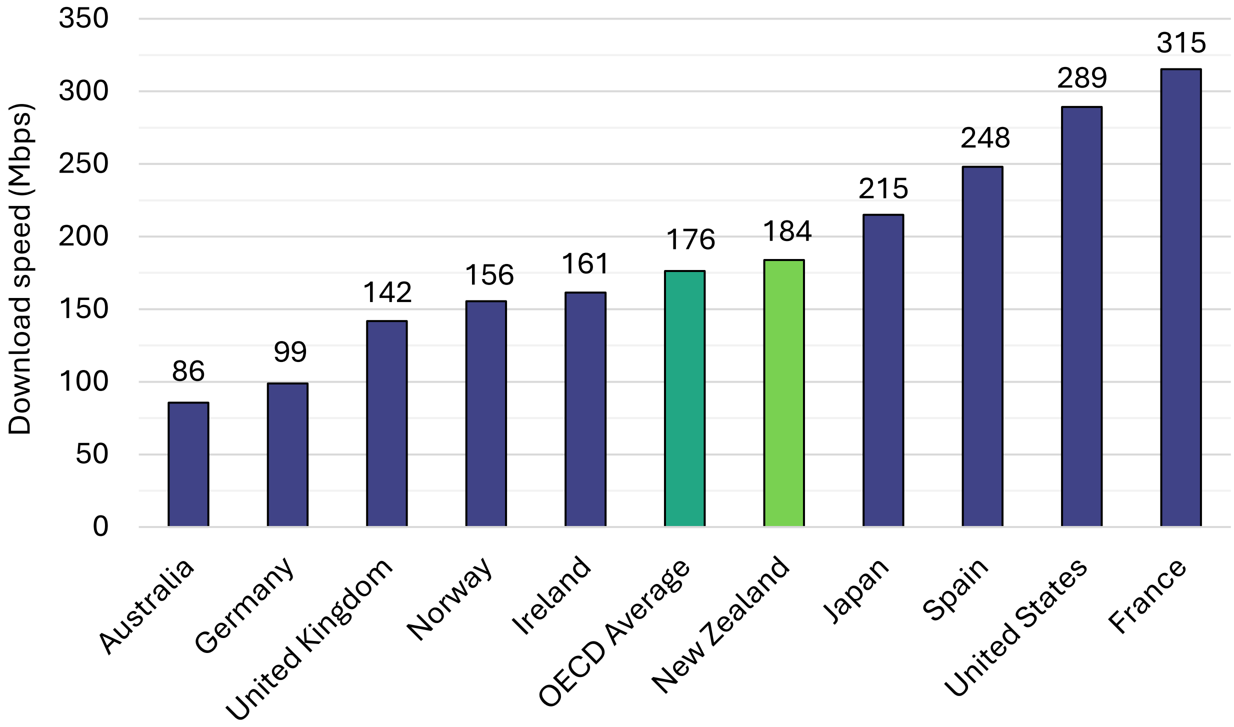
In May 2025, New Zealand ranked 17th in the OECD, with average fixed broadband download speeds of 184Mbps.[27]

Figure 3.4 compares New Zealand against a subset of OECD countries. New Zealand continued to sit middle of the pack, marginally above the overall OECD average speed. New Zealand's average fixed broadband download speeds exceed average speeds in Australia, Germany, United Kingdom, Norway and Ireland, as well as the OECD average of 176Mbps.

Ookla's methodology is technology neutral. This means legacy technology, such as copper, can negatively impact overall speed results. With the speed boost of Fibre 50 to Fibre 100 and Fibre 300 to Fibre 500 in June 2025, it is possible we will see a significant increase in New Zealand's median speed. However this may be offset by customers downgrading to cheaper, lower speed broadband plans.

[27] Data extracted in June 2025 from Speedtest, see https://www.speedtest.net/global-index.

Figure 3.4 Ookla Speedtest Global Index median broadband download speed (all technologies) (May 2025)



Source: Ookla Speedtest Global Index[28]

Ookla Speedtest results reflect the speeds available to a device as delivered through or by the router. Because of this device-level perspective, New Zealand's recorded speeds appear lower than those reported in the MBNZ programme, which measures performance to the router (by access technology).[29] It is common for speeds to drop between the router and the device, especially when the device is connected over Wi-Fi, where distance, interference, and in-home network conditions can all reduce performance.

[28] Ookla "Speedtest Global Index", see https://www.speedtest.net/global-index.

[29] Methodology for the Ookla Speedtest, including an explanation of why results differ from router-based testing such as MBNZ, can be found at https://www.ookla.com/resources/guides/speedtest-methodology.

Netflix[30]

Netflix was the most popular subscription streaming service in New Zealand in 2024, with 38% of Kiwis aged 15 and older using the service. As such, the ability to stream Netflix in ultra-high definition (**UHD**) is something our MBNZ programme measures.

Our MBNZ results reflect not just the performance of the infrastructure and RSPs, but also any changes Netflix makes in the background—in particular, video and audio encoding, which is the process of compressing files (making them smaller to download) without compromising the quality.

Our testing between July 2024 and April 2025 found that nearly 100% of connections tested on Fibre Max, Fibre 50 and Fibre 300 plans could stream three UHD streams concurrently (Table 3.4). These plans appear to be more suitable for multi-user households.

Table 3.4 Netflix—ability to stream UHD streams in all areas

Technology	1 UHD Streams	2 UHD Streams	3 UHD Streams	4 UHD Streams
4G FWA	58%	35%	23%	11%
Fibre 50	100%	100%	100%	0%
Fibre 300	100%	100%	99%	99%
Fibre Max	100%	100%	100%	100%
HFC	100%	100%	100%	100%

Source: Commission analysis of MBNZ data (June report using data from April 2025). 4G FWA is from all areas of the country as MBNZ does not report urban only figures[31]

Around 62% of households tested with a 4G FWA connection were able to reliably support two UHD streams concurrently. This may indicate that, for some urban households, higher-speed fibre plans are not always necessary to meet typical streaming needs. Given that Fibre 50 can support multiple UHD streams, it is possible that some customers are opting for lower-tier plans not only due to cost-of-living considerations, but also because higher-speed plans may offer limited additional benefits for common household streaming usage.

30 NZ On Air did not complete a “Where are the Audiences?” report in 2025 so we are using the 38% Netflix consumption figure from the 2024 edition. We expect it to still be applicable in 2025. NZ on air “Where Are The Audiences? 2024” (26 August 2024), https://www.nzonair.govt.nz/news/where-are-the-audiences-2024/.

31 Commission “MBNZ report 24 June 2025”, see https://www.comcom.govt.nz/assets/Uploads/Measuring-Broadband-New-Zealand-Report-24-June-2025.pdf.

Latency

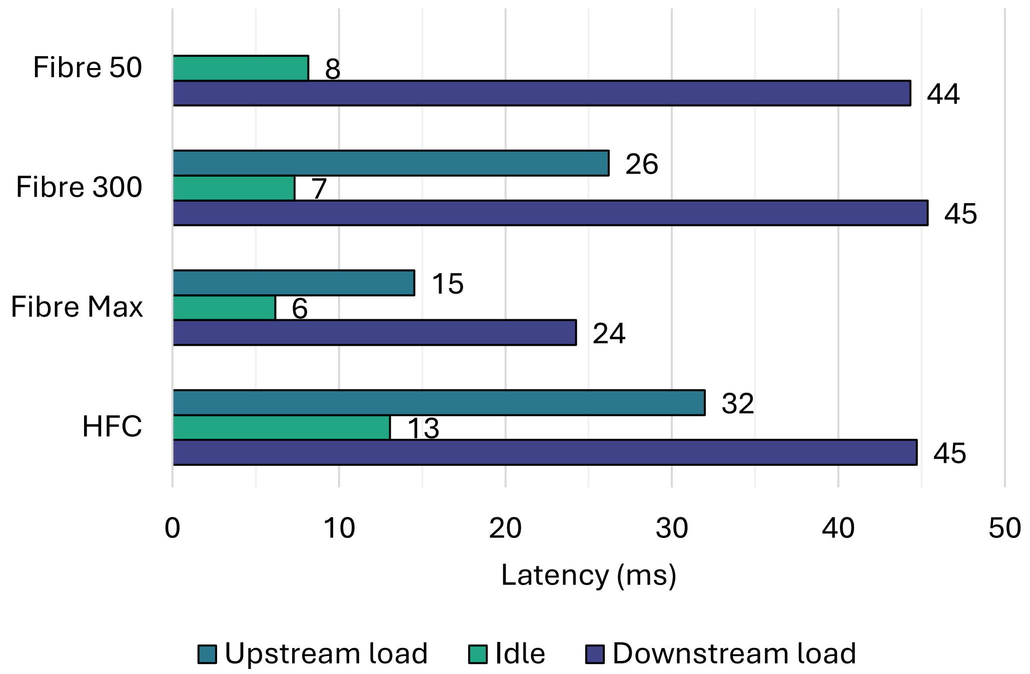
Latency is the delay an internet connection experiences. In this metric, lower values are better than higher values.

For someone playing an online game, higher latency introduces more delay between the time that they press a button and that action being registered by other players. Higher latency can also cause video calls to jump or drop out more often.

Latency under load refers to the end-to-end latency of an internet connection when the network is loaded with traffic for a period. In our MBNZ testing, we run multiple speed tests in parallel as a proxy for a more heavily utilised network connection. This test is indicative of real-world usage—where multiple devices in the home compete for bandwidth.

Figure 3.5 shows the average urban latency under load for the technologies measured by the MBNZ programme in April 2025.

Figure 3.5 Average urban latency under load (24/7)



Source: Commission analysis of MBNZ data (April 2025)

There is no latency data on urban only 4G FWA services (only rural services, which we include in the Rural chapter).[32] The data highlights that latency under load on the urban fibre and HFC networks is largely comparable. For voice calling, Cisco considers Voice over Internet Protocol (**VoIP**) calls with less than 150ms of latency (one way) to be usable, but actual performance will vary.[33] We expect most, if not all, VoIP calls will be usable on these urban technologies and plans.

Remote working

Lower latency is important for a good experience using video conferencing services, including when working remotely.

For someone on a video call, higher latency will result in a longer delay between users receiving audio or video from the person at the other end of the call. Higher latency can also cause video calls to jump or drop out more often.

Latency increases when lots of people are using the same network or when internet traffic is high during peak times. Wi-Fi interference, distance from the router, or weak signals can increase latency compared to wired connections, and older devices take longer to process video and audio, adding to potential delays. Server location is another factor that affects the latency of video conferencing services. Services that use servers geographically further away from users will experience higher latency as traffic travels further between the server and the user.

InternetNZ research showed that in 2025, 54% of employed New Zealanders do the type of work that allows them to work from home, a slight increase from 52% in 2024. Of these workers, 75% worked from home all or some of the time.[34]

For people working from home, particularly those using video conferencing, cloud-based applications, or transferring large files, fibre connections tend to offer performance advantages. These are generally associated with lower latency, higher upload speeds and more consistent throughput, which can support stable video call quality and reduce the likelihood of lag or dropouts. Fibre networks also benefit from newer underlying infrastructure and the technical characteristics of fibre optics. While 4G FWA and copper connections may be sufficient for lighter or less time-sensitive usage, fibre is typically better suited to supporting more demanding or latency-sensitive remote work applications over time.

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32 We include rural 4G FWA latency figures in the rural section. For reference, 4G FWA simple latency tested nationwide had a latency of 46ms (24/7) on average as of the June 2025 MBNZ report.

33 S. P. C. Lewis, ''Implementing quality of service over Cisco MPLS VPNs,'' in Selecting MPLS VPN Services. San Jose, CA, USA: Cisco Systems, May 2006, Ch. 5.

34 Internet NZ | Ipurangi Aotearoa "New Zealand's Internet Insights: 2025 Survey Findings", page 50 https://internetnz.nz/assets/Archives/New-Zealands-Internet-Insights-2025-survey-findings.pdf.

Reliability

Faults measured are service interruptions to a broadband connection that are not due to customer premises equipment such as the router.

As copper services continue to be withdrawn in urban areas, we now only report copper and LEO satellite faults in the rural section. We do not currently receive faults information for FWA services, but we will continue working with industry to develop consistent reporting in the future.

This year we are using fibre Information Disclosure (**ID**) data to report on the reliability of fibre networks for Chorus, Enable, Northpower and Tuatahi.[35] This data includes both residential and commercial connections.

Reliability of fibre wholesale providers

Changes to how outages are defined for fibre quality reporting have reduced data comparability over time. When interpreting providers' performance, caution is needed. The reported figures reflect only the operational performance of each fibre network provider and exclude factors outside the provider's control that can impact on end-user performance, such as force majeure events, RSP network issues, international connectivity problems and local power outages.

Through ID, we receive data on the number (faults per 100 connections) and duration (unplanned downtime) of faults for regulated fibre services provided by Chorus, Enable, Northpower and Tuatahi. The number and duration of faults are based on the definition of an outage, which is the cessation in supply of fibre services.[36]

35 This ID data includes both residential and commercial connections so is not directly comparable with other fibre analysis (which focuses on residential) in this report.

36 The number and duration of faults here is limited to those occurring in 'layer 1' only, which comprises the physical network infrastructure of the fibre network. This definition is from the Fibre Input Methodologies, which underpin the economic regulation of the four fibre providers. See clause 1.1.4(2) of Fibre Input Methodologies Determination 2020, consolidated for convenience as of 3 September 2025, https://www.comcom.govt.nz/assets/Uploads/Fibre-Input-Methodologies-Determination-2020-Consolidated-as-of-3-September-2025.pdf.

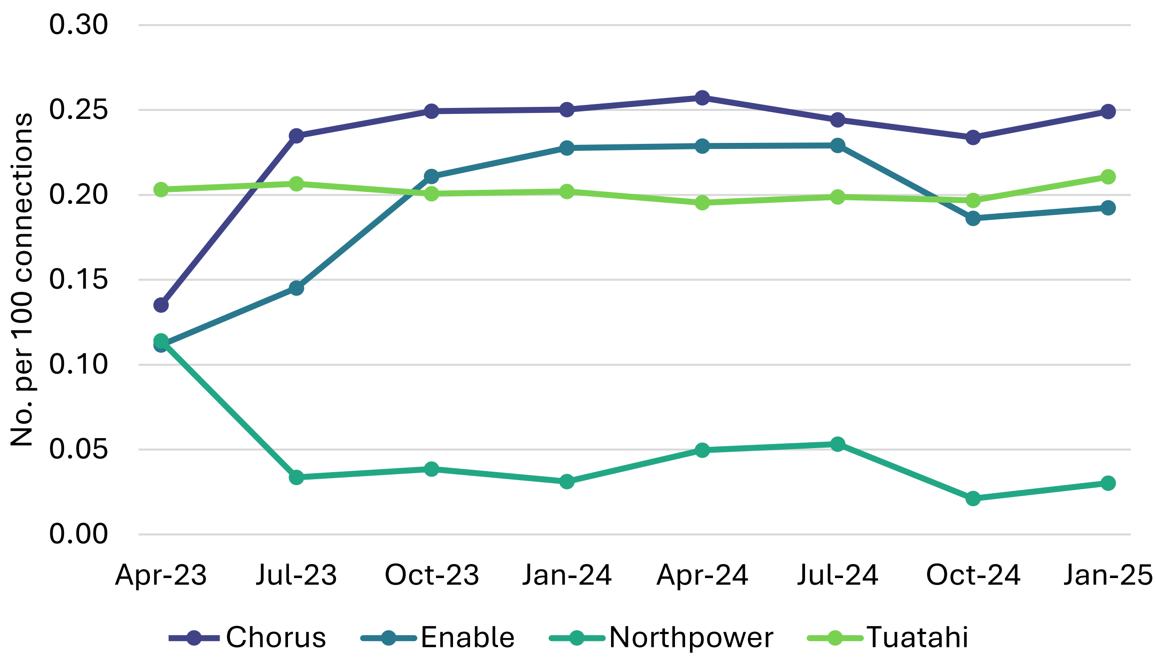
The Commission has allowed non-Chorus LFCs to report outages using their UFB agreement definitions from before the fibre regime started. This was due to practical issues with applying the 'cessation in supply' test.[37] As a result, outage and downtime reporting was not fully consistent between Chorus and the other providers, which reduces comparability.[38]

We use ID data from January 2023 to December 2024, the first full calendar years with complete data across all providers, enabling consistent comparison between periods.[39]

Faults

Figure 3.6 shows that faults per 100 fibre connections remained low across New Zealand, although performance varies across providers.

Figure 3.6 Faults per 100 connections



Source: Commission fibre ID data

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37 The exemptions, granted in August 2024 and April 2025, apply to ID-only regulated LFCS (Enable, Northpower and Tuatahi). See: https://www.comcom.govt.nz/regulated-industries/fibre/information-disclosure-requirements-for-fibre/exemptions-to-information-disclosure-requirements/.

38 We have since addressed these inconsistencies by clarifying definitions and amending relevant formulae in the ID requirements. See 2025 project documentation, https://www.comcom.govt.nz/regulated-industries/fibre/information-disclosure-requirements-for-fibre/current-information-disclosure-requirements-for-fibre/.

39 Providers must publish their ID information five months after their disclosure year-end date: Chorus 31 December, Enable 30 June, Northpower and Tuatahi 31 March.

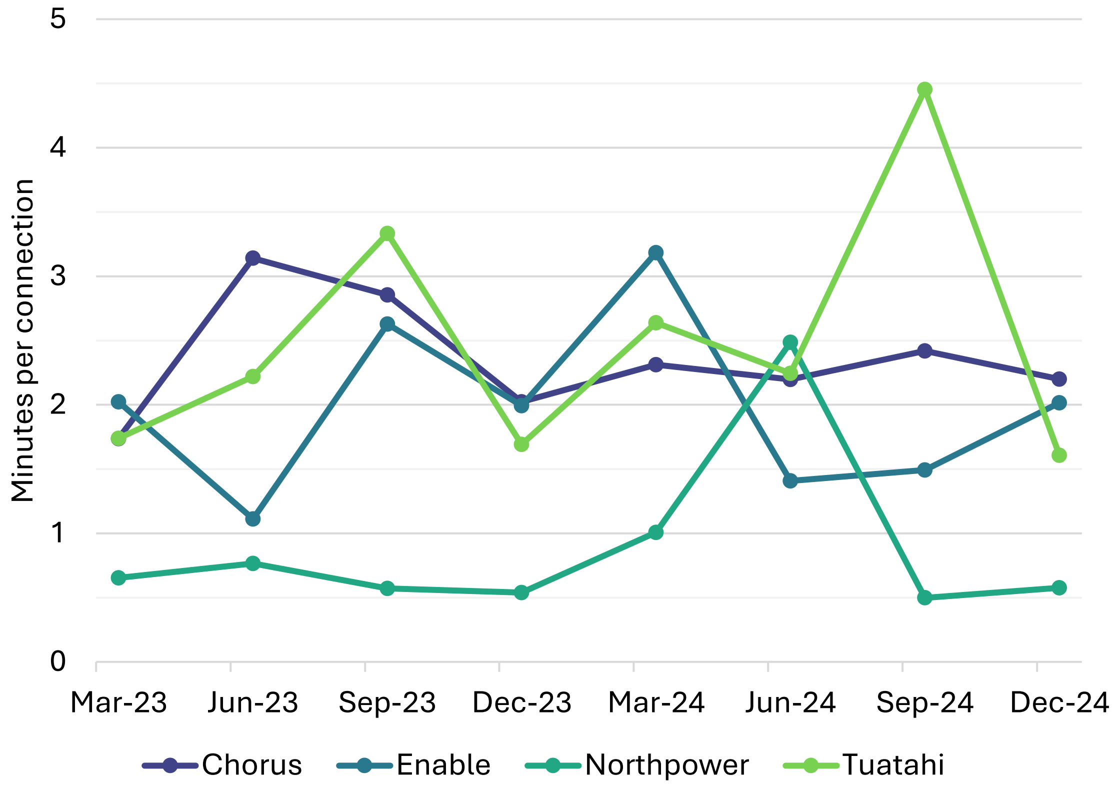
Nationally the data shows that fibre networks continued to perform well for consumers. Quarterly results over 2023–2024 display only modest variation, consistent with the reliability of modern fibre access networks.

While Chorus, Tuatahi and Enable results were similar, roughly between 0.19 and 0.25 faults per 100 connections, Northpower stands out. It reported far fewer faults, averaging under 0.1 faults per 100 connections.

Unplanned downtime

Figure 3.7 presents the quarterly weighted average unplanned downtime per connection (minutes), excluding force majeure, for the four fibre providers.

Figure 3.7 Unplanned downtime of fibre providers



Source: Commission fibre ID data

Over the period January 2023 to December 2024, the average unplanned downtime per connection for all four fibre providers remained low, around one to three minutes per connection per quarter. A few spikes occurred over the two years, the most significant being Tuatahi’s in September 2024.

Regional downtime data shows the September 2024 spike for Tuatahi occurred in Auckland and to a lesser extent Tauranga. The cause of this outage is not known. This outage caused the only breach of the 160-minute benchmark by any provider during the January 2023 to December 2024 period.[40] Tuatahi had very few connections in Auckland (around 80 in December 2024, compared with thousands in other areas), so any outage is averaged over a much smaller base, resulting in a higher downtime per connection.

Resilience

New Zealand's telecommunications networks are facing increasing pressure from severe weather events, bringing network resilience into sharper focus as a key dimension of performance and competition. Storms such as Cyclone Gabrielle and the Auckland Anniversary Floods have demonstrated how quickly services can be disrupted when power, transport and other critical infrastructure are affected. As extreme weather becomes more frequent, the ability of networks to withstand and rapidly recover from disruption is likely to play a more central role in shaping user outcomes and competitive dynamics.

These events exposed vulnerabilities in the networks, including related infrastructure such as the electricity grid and roading and bridge infrastructure. In 2025, the industry invested approximately $1.4 billion annually in fibre access, mobile, core and backhaul networks.[41] Ongoing investment is likely to be required to maintain and improve network resilience, but the scale and nature of this investment will depend on how providers assess the risks to their networks and the needs of the communities they serve. Recent events also show that some technologies are more resilient than others. Copper lines are far more vulnerable to flooding and physical damage. Chorus reported that during Cyclone Gabrielle, copper customers were up to ten times more likely to lose service than fibre customers, with fibre services restored twice as fast.[42]

A diverse mix of telecommunications infrastructure strengthens overall network resilience. When fibre backhaul is disrupted, alternative technologies such as LEO satellite can provide continuity by connecting through ground stations located outside the affected area. As all modern broadband technologies rely on electricity, the power supply has become an increasingly critical component of resilience.

40 The service levels agreed as part of the UFB programme set high-availability expectations at each point of interconnection (≈99.97% availability, or ~160 minutes of unplanned downtime per year, excluding force majeure), which continue to be reflected in providers' wholesale service level agreements.

41 Commission data.

42 We note that there are many factors that can influence the repair times including location of equipment and crew, the severity of damage and Chorus's prioritisation of repairs. Chorus "Annual Report 2023" (August 2023), page 5, see https://company.chorus.co.nz/investors/financial-reports/financial-results-presentations/2023-full-year-financial-results.

To support this work, the New Zealand Telecommunications Forum (**TCF**) developed a set of climate change scenarios that help the sector understand and prepare for both physical and transitional risks.[43] Developed with support from Tonkin & Taylor, these scenarios offer plausible futures rather than predictions, and are designed to guide planning, risk assessment, and regulatory compliance as the industry adapts to a changing climate. Spark, for example, has used these scenarios in its own climate planning and reporting.[44]

Cyber security is also an important component of telecommunications resilience. The Department of the Prime Minister and Cabinet, through the National Cyber Security Centre, supports critical infrastructure providers by monitoring threats and coordinating responses to significant cyber incidents. This helps to maintain the reliability and integrity of essential telecommunications services.

Urban infrastructure summary

New Zealand's telecommunications infrastructure continued to evolve in 2025. Fibre networks have continued to expand beyond the original UFB footprint as local fibre companies and WISPs pursued new build areas. Copper services are being withdrawn in urban areas as fibre becomes available, with Chorus planning to complete this withdrawal in 2026. Across performance measures, fibre consistently delivered the most reliable speeds, lowest latency and strongest streaming results, while FWA, especially 4G, showed more variable performance. Fibre networks also proved resilient, although recent severe weather events highlighted the growing need for long-term planning to strengthen network reliability as climate risks increase.

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43 Tonkin & Taylor "Telecommunications Sector Scenarios" (July 2024) (Prepared for the TCF) https://www.tcf.org.nz/news/telecommunications-sector-climate-change-scenarios.

44 Spark "FY25 Climate Related Disclosures" (20 August 2025), see https://investors.sparknz.co.nz/FormBuilder/_Resource/_module/gXbeer80tkeL4nEaF-kwFA/doc/FY25_Climate_related_Disclosures.pdf.

Wholesale | Hoko rarawe

The wholesale market plays an important role in shaping retail outcomes for consumers. Regulation is typically applied in markets with natural monopoly characteristics to ensure access is provided on reasonable terms. In New Zealand, wholesale obligations to provide key connectivity inputs for homes and businesses have been central to the evolution of the telecommunications market, enabling a more competitive retail landscape. As the market matures, it is useful to consider how existing wholesale settings are influencing retail competition, and this section examines how these dynamics are evolving.

This section looks at the wholesale services offered in urban areas. It includes a deep dive into wholesale fibre trends, including by provider and region, before exploring the number and breakdown of wholesale connections across various technologies. It also touches on wholesale price trends and the profitability of regulated fibre providers.

Wholesale fibre connections

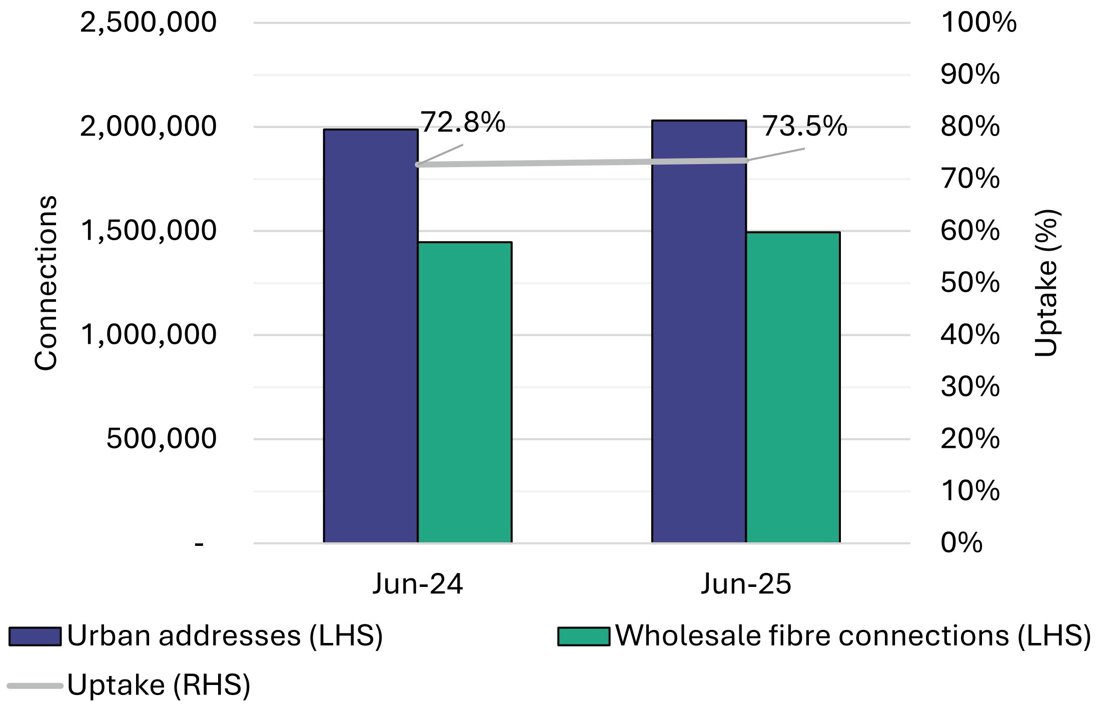
> A wholesale fibre connection is a fibre broadband, voice or point-to-point service that is provided as an input onto a retail service sold by an RSP. This only includes wholesale connections from the LFCs.

Over the last year, the number of urban wholesale fibre connections increased by 3%, from 1.45 million in June 2024 to 1.49 million in June 2025.[45]

Figure 3.8 uses Commission data to highlight the change in the number of addresses passed by regulated fibre providers (LFCs) and the uptake of wholesale fibre connections. As outlined previously, this differs from the approach and figures NIFF reports on every six months that we have historically used in this report.

[45] Commission data. This is a different dataset from our Fibre ID regime and so will differ slightly from numbers reported from that.

Figure 3.8 Urban fibre uptake across New Zealand



Source: Commission data

The number of urban addresses passed and the number of wholesale fibre connections continues to grow as LFC networks expand and fibre becomes available to more addresses.

Information Disclosure insights—wholesale fibre connections

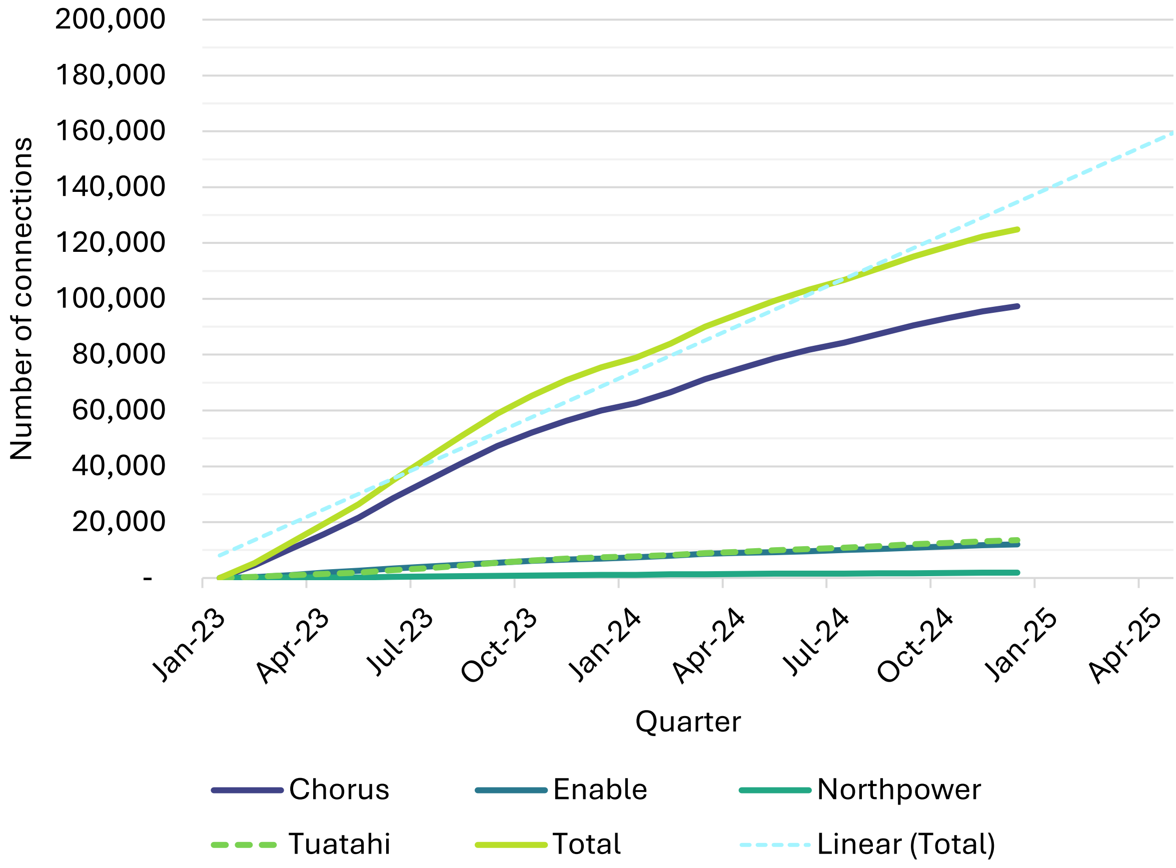
This section of the report looks at the numbers and trends in active wholesale fibre connections. It draws on fibre ID schedules and consolidates monthly connection counts across providers and geographic areas to produce national and regional views. This is the first time we have included this data in an AMR.[46]

As of 31 December 2022, there were approximately 1.35 million LFC fibre connections nationally. Between January 2023 and December 2024, the number of LFC fibre connections increased by around 129,000 to approximately 1.48 million—an increase of about 9.5% from the December 2022 total, as shown in Figure 3.9.[47]

46 This data includes both residential and commercial connections.

47 At publication, we do not have complete fibre connection data from all fibre providers post- December 2024 due to differing disclosure timelines. Fibre providers must publish their data no later than five months after their disclosure year-end. The providers' disclosure year-ends are Chorus 31 December, Enable 30 June, and Northpower and Tuatahi 31 March.

Figure 3.9 Change in the number of active fibre connections

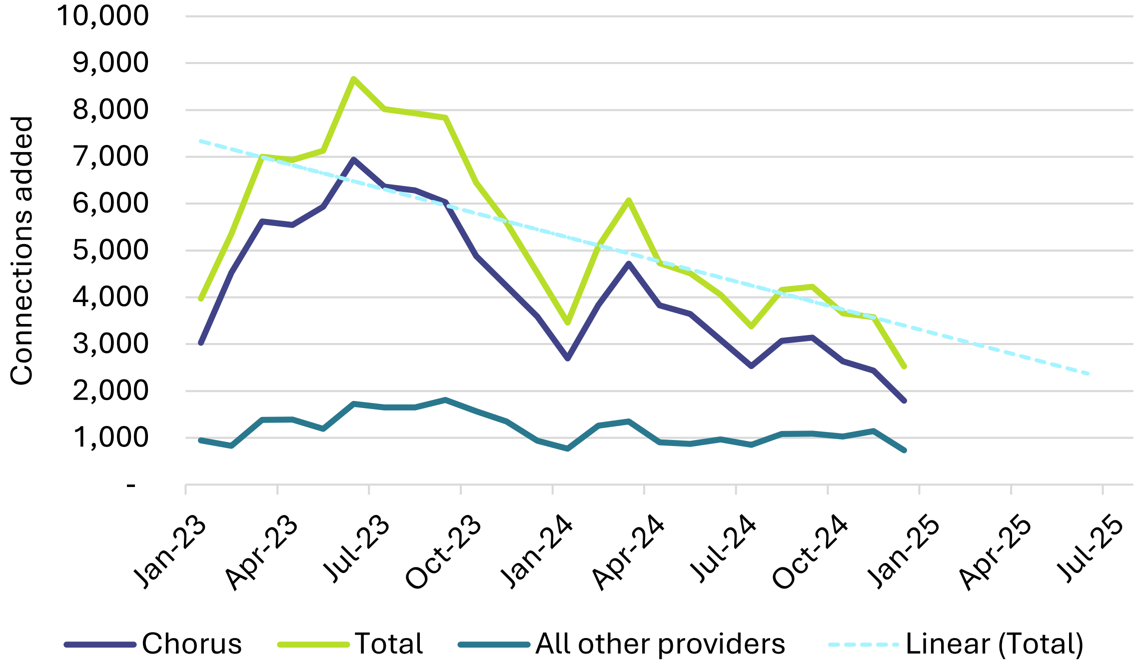


Source: Commission analysis of fibre ID data

Nationally, while the total number of active fibre connections increased, the pace of growth slowed in the latter half of 2024. This reflects a maturing market following the Government-funded rollout, with growth likely to continue at a slower pace.

Figure 3.10 highlights that monthly increases in active connections through the first half of 2023 peaked at 8,662 connections for June 2023, then progressively eased to 2,525 in December 2024. Additionally, Figure 3.10 identifies recurring seasonal dips in additional connections occurring in December–January (ie, Christmas/ New Year and summer holiday periods).

Figure 3.10 Monthly net additions in active fibre connections



Source: Commission analysis of fibre ID data

Share of connection growth by regulated fibre provider

Growth in active connections was broadly aligned to the scale of the regulated fibre provider. Over the reported two-year period, Chorus accounted for 77.2% of additional connections, Enable about 9.9%, Northpower roughly 1.6% and Tuatahi around 11.3%. For comparative purposes the relative share of total active connections at December 2024 was Chorus 74.2%, Enable 10.8%, Northpower 1.7%, and Tuatahi 13.3%.[48]

These figures suggest the growth in active connections was largely tracking to the relative scale of the provider's network footprint. However, over the period, Chorus captured a higher share of additional active connections while Tuatahi captured fewer than its relative size would predict.

The differences between the share of additional connections and share of total active connections are modest and not necessarily suggestive of a structural long-term shift in relative share of national active connections.

We expect changes in relative share of connections growth will occur due to differences in regional demand-side factors, such as building development activity, and the withdrawal of Chorus's copper-based access services.

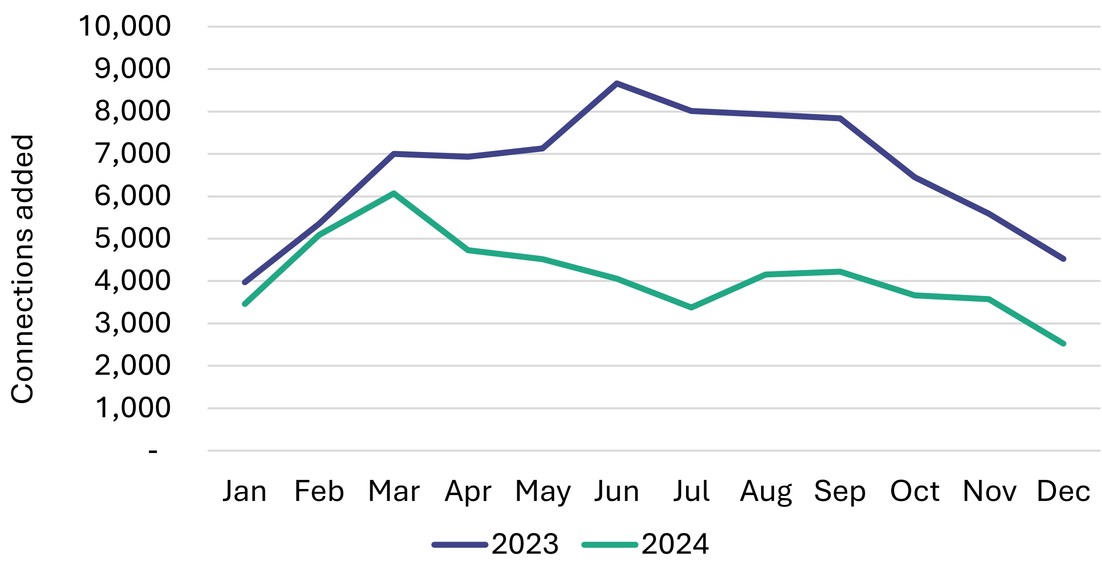
[48] Relative share of regulated fibre providers excludes the share of the local access fibre market served by non-regulated fibre providers eg, Vector Fibre, Network Tasman, Unison, etc.

Demand-side factors likely impacting growth in fibre connections

Residential (dwelling) building activity

Figure 3.11 compares the monthly growth in active connections over 2023 and 2024. It highlights those additional connections for the period April–December 2024 were significantly fewer (~ 45% less) than for the same period in 2023.

Figure 3.11 Total New Zealand connections added each month



Source: Commission analysis of fibre ID data

The decline in the growth of active connections over the April–December 2024 period was broad-based: Chorus was down 47.5%, Enable down 43.1%, Northpower down 36.4% and Tuatahi down 26.6% on 2023 connection volumes.

We consider demand reflected macro-economic conditions, as indicated by the decline in residential construction activity. However, other factors also influence total demand, including fewer households remaining on copper to convert to fibre. There was a strong correlation between the number of new dwelling consents issued and the trended number of fibre connections added 16 months later.[49] The lag is consistent with anticipated time to build and fit-out a residential dwelling from when a consent is issued (Figure 3.12).[50]

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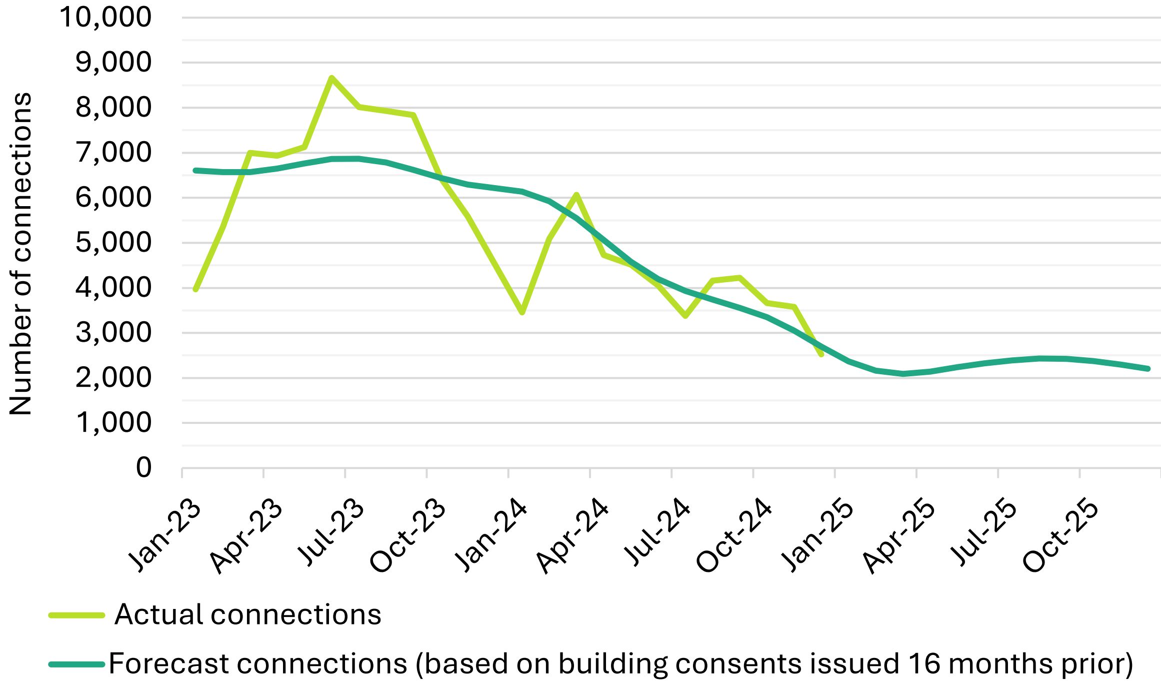
49 Our analysis shows the strongest relationship between dwelling consents and fibre connections occurs at around 15–17 months, so we adopted a 16-month lag as a representative midpoint for forecasting. Pearson correlation coefficient r= 0.77. Statistics New Zealand "Building consents issued" December 2025), available at: https://www.stats.govt.nz/information-releases/building-consents-issued-december-2025/.

50 Stats New Zealand "Experimental indicators show longer building timeframes" (released April 2024), see https://www.stats.govt.nz/news/experimental-indicators-show-longer-building-timeframes/.

Figure 3.12 Actual and forecast fibre connection

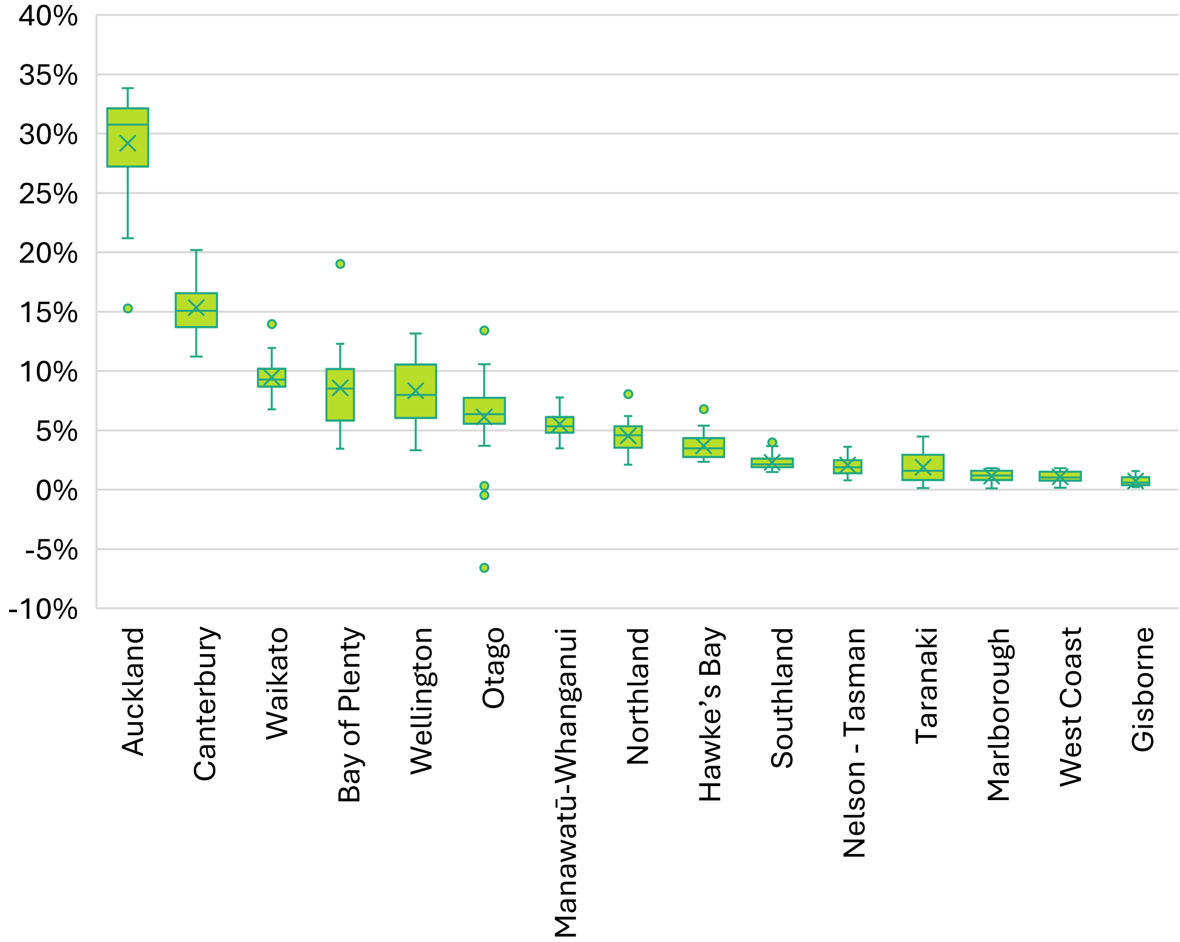


Source: Commission analysis of fibre ID data

We expect monthly additions of fibre connections to stabilise during 2025. Our modelling, based on trended issued building consents alone, indicates total additional connections for the 2025 year of approximately 27,400, ranging between approximately 2,100 and 2,400 per month. Additions are expected to peak around the middle of the year, with seasonal slowdowns likely at the beginning and end of the year.

Figure 3.13 shows monthly connection growth varied across territorial authority areas over the 2023 and 2024 calendar years. Auckland was the largest contributing region, accounting on average for 29.2% of the monthly increase in connections nationally. Canterbury followed, contributing on average 15.3% of the monthly national increase.

Figure 3.13 Percentage of monthly growth in active connections by region



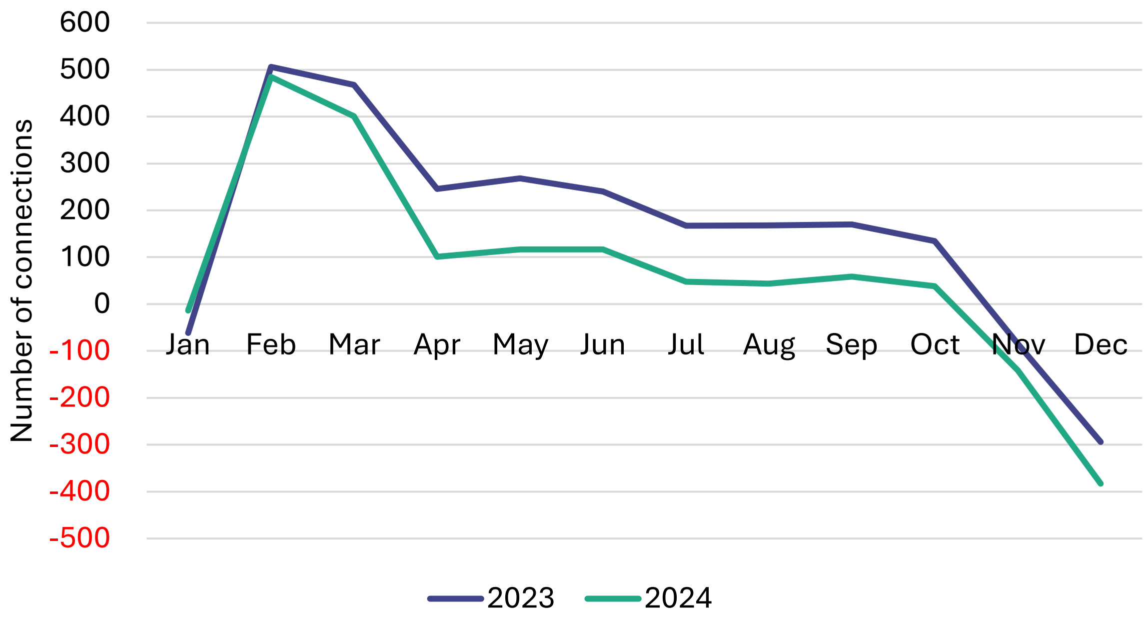
Source: Commission analysis of fibre ID data

Seasonal demand factors

However, consistent monthly increases in active (revenue contributing) connections are not assured. On a few occasions, Chorus, Northpower and Tuatahi reported regional declines in total monthly active connections.

For example, as shown in Figure 3.14, Chorus experienced recurring declines in Dunedin active fibre connections in December and January. We expect this recurring annual decrease was the result of a combination of seasonal factors—less end user demand for new connections over the Christmas–New-Year and Summer holiday periods, and churn related to student demand at the start and end of the tertiary academic year (ie, service activations and deactivations). Such seasonal factors may also play out in other geographic regions and for other fibre providers.

Figure 3.14 Chorus change in monthly connections in Dunedin



Source: Commission analysis of fibre ID data

Looking ahead, modelling based on issued building consent data indicates that fibre connection growth will stabilise in 2025 at around 2,100–2,400 new connections per month. Regional variation is expected to persist, reflecting differences in population growth, residential construction activity, and seasonal influences, including summer holiday slowdowns and localised service churn (such as that associated with the start and end of the tertiary academic year).

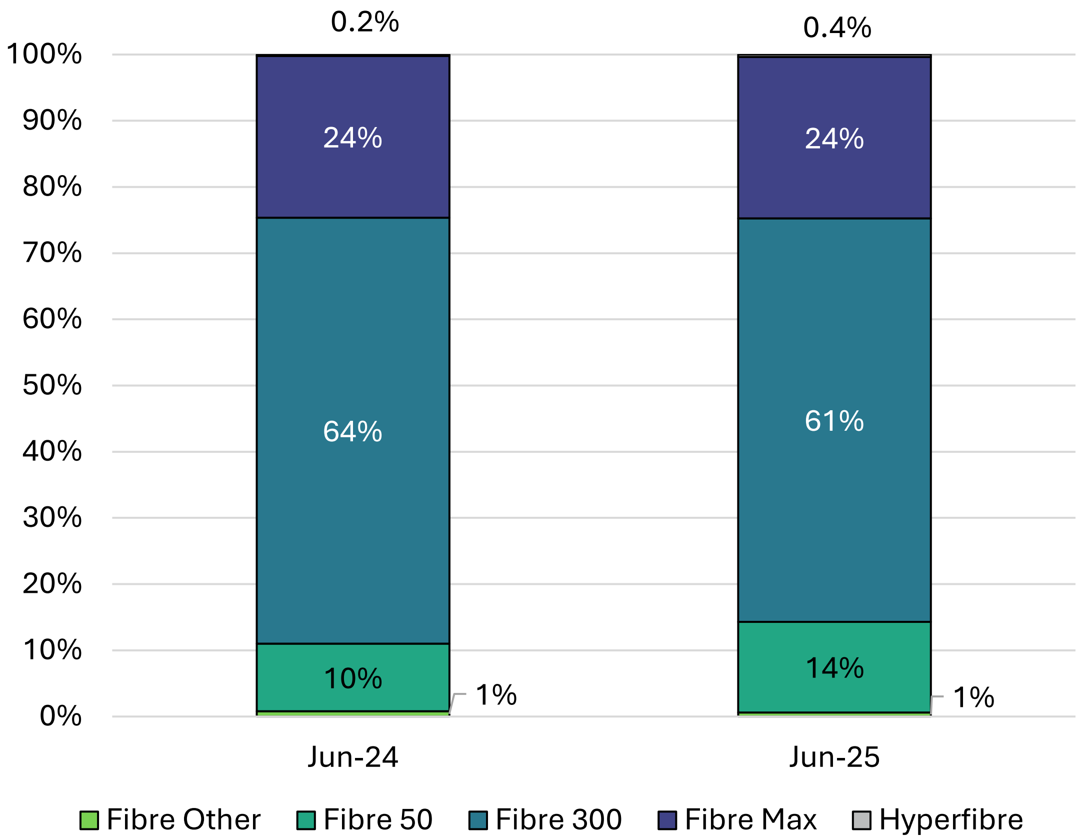
Wholesale fibre bitstream connections by speed

Fibre networks in New Zealand were built on a wholesale-only basis. This means Chorus, Enable, Northpower and Tuatahi must sell their fibre services through RSPs.

Figure 3.15 shows the speed composition of residential fibre connections across the LFCs.[51] The percentage of connections on different speed tiers depends on a range of factors, including wholesale offerings, RSP take-up of these offers, number of retail fibre connections and consumer preferences.

[51] This section draws on data supplied by Chorus and the other LFCs for residential fibre connections as at June 2025. These figures are not directly comparable to the wholesale layer-1 fibre connections presented earlier, which were sourced from fibre ID data.

Figure 3.15 Speed composition of residential fibre connections



Source: Commission data

Connections on the 50Mbps plan continued to grow strongly over the past year. Chorus and the other LFCs increased speeds from 50Mbps to 100Mbps in June 2025, which may see additional demand for this plan in the next year.[52, 53] Share rose from 10% of wholesale fibre connections in June 2024 to 14% in June 2025, making it the fastest-growing fibre plan. Chorus increased the wholesale price and retail cap on 1 January 2025, lifting the maximum retail price to $65, with a further increase to $70 scheduled for October 2025.[54]

52 Chorus "The Big Fibre Boost" (June 2025), https://www.chorus.co.nz/big-fibre-boost.
53 The upload speed of the plan was also increased to 20Mbps.
54 If a RSP retails the plan at or below the capped price they are charged a discounted rate for the plan.

The 300Mbps plan remained the most popular speed tier, accounting for 61% of residential fibre plans as at 30 June 2025. However, its share declined from 64% in June 2024, alongside growth in uptake of lower-cost 50Mbps (and now 100 Mbps) plans. This reflects both new connections selecting lower speed tiers and some existing customers changing plans. Together, these patterns suggest a gradual shift toward lower-cost fibre options, as affordability and perceived value become more prominent in plan selection as the market matures.

Higher-speed tiers show mixed trends. Uptake of the 1Gbps (Fibre Max) plan was flat in the year to June 2025. Hyperfibre services, offering 2Gbps and 4Gbps nationwide and 8Gbps in parts of Auckland and Wellington, remained under 1% of connections. Other fibre plans (such as Fibre 30 and Fibre 200), made up around 1% of residential fibre connections as at June 2025.

Wholesale copper bitstream connections

The copper broadband offered to consumers in urban areas uses a wholesale input service provided by Chorus, which continues to operate the copper network

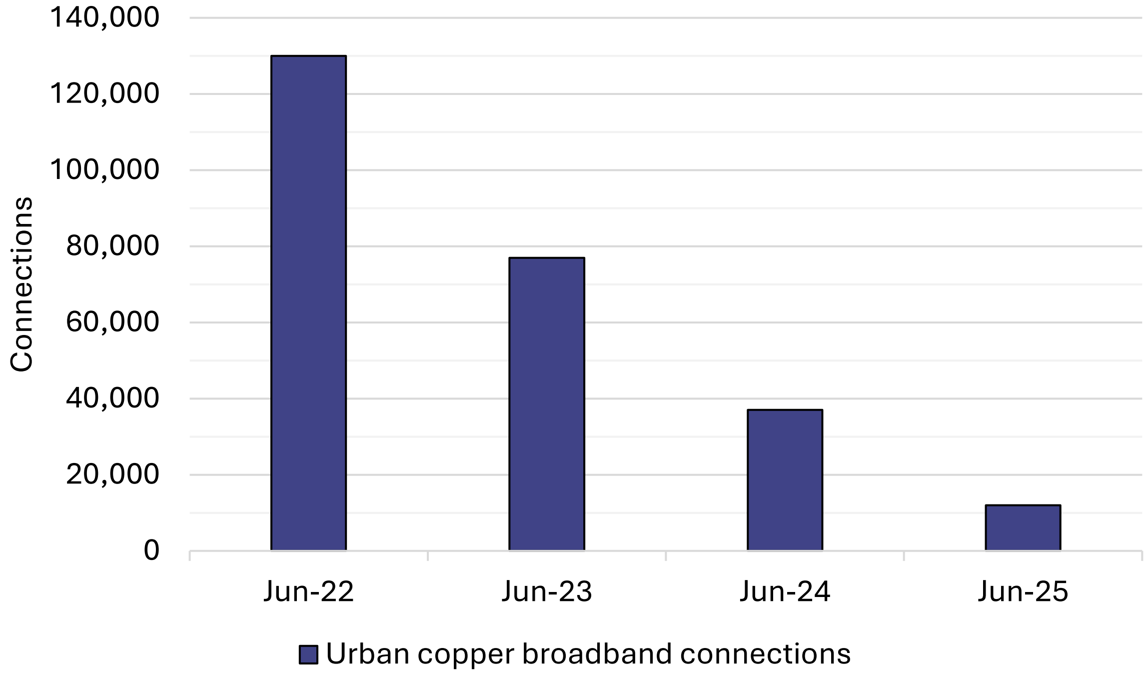
Chorus has announced that the copper network in urban areas will be shut down in mid-2026.

In the year to June 2025, copper broadband connections in urban areas fell 68% to 12,000 (Figure 3.16).[55] Of these, 6,000 remained in Chorus areas and 6,000 in other LFC areas.[56]

55 Commission analysis of Chorus annual reports and information provided by Chorus, see https://company.chorus.co.nz/reports.

56 Chorus “Q4 FY25 Connections Update” (July 2025), page 7 https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

Figure 3.16 Wholesale copper broadband connections in urban areas



Source: Commission analysis of Chorus quarterly reporting

Wholesale copper broadband connections declined sharply following the start of Chorus' copper withdrawal programme in 2021 (there were around 350,000 copper broadband connections as of March 2021) and the introduction of a 'stop-sell' on new copper connections in urban areas in 2023.[57]

Chorus no longer reports the number of copper withdrawal notices issued and connections withdrawn under the CWC. It plans to have completed its copper withdrawal programme and shut the copper network down in urban areas by mid-2026, six months earlier than previously expected.[58]

Wholesale cellular FWA connections

Cellular FWA uses a MNO's 4G or 5G network to deliver broadband to a fixed location.

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57 Chorus "Q3 FY21 Connections Update" (15 April 2021) page 4, see https://api.nzx.com/public/announcement/370669/attachment/344182/370669-344182.pdf.

58 Chorus "Chorus Annual Report 2025 (including audited financial statements)" (June 2025), page 3 https://company.chorus.co.nz/investors/financial-reports/financial-results-presentations/2025-full-year-financial-results.

In urban areas of New Zealand, 4G/5G FWA broadband plans are wholesaled by MNOs on commercial terms through MVNO agreements. However, not all MVNO agreements include FWA broadband services (discussed further in the Connectivity on the Move chapter).

Large RSPs that resell 4G FWA broadband in urban areas include energy providers Mercury and Contact Energy. As well as these two major RSPs, around 20 retailers resell 4G FWA nationwide.[59]

FWA connections wholesaled nationally grew by 7% from 2024, to 30,000.[60] In line with the broader plateauing trend of FWA connections, the slight increase in 2025 represents a slowdown from the 25% growth recorded in the prior period. We discuss this further in the retail section.

No MNO was wholesaling 5G FWA plans to the major retailers.[61] This points to a constraint on downstream retail competition in a segment that is becoming more important, although this may change as 5G capacity increases and commercial incentives for wholesale arrangements strengthen.

Wholesale pricing

The regulatory regime for fibre networks requires Chorus and the Local Fibre Companies (LFCs) to offer a set of mandated wholesale products. While, with a few exceptions, wholesale fibre products are priced on a commercial basis, Chorus's pricing flexibility is constrained by price-quality (**PQ**) regulation, which requires it to set prices within an overall revenue cap.

Under PQ regulation, Chorus must also ensure geographically consistent pricing, meaning wholesale prices are uniform nationwide. Chorus and the LFCs are also subject to ID regulation, which requires periodic publication of information on pricing, expenditure, service quality and financial performance.

Spark, One NZ and 2degrees are the largest wholesale customers of Chorus and the other LFCs, and also compete with fixed fibre services through their 4G/5G FWA offerings. This creates a degree of competitive tension between fixed line and FWA broadband services, which is reflected in wholesale and retail pricing outcomes.

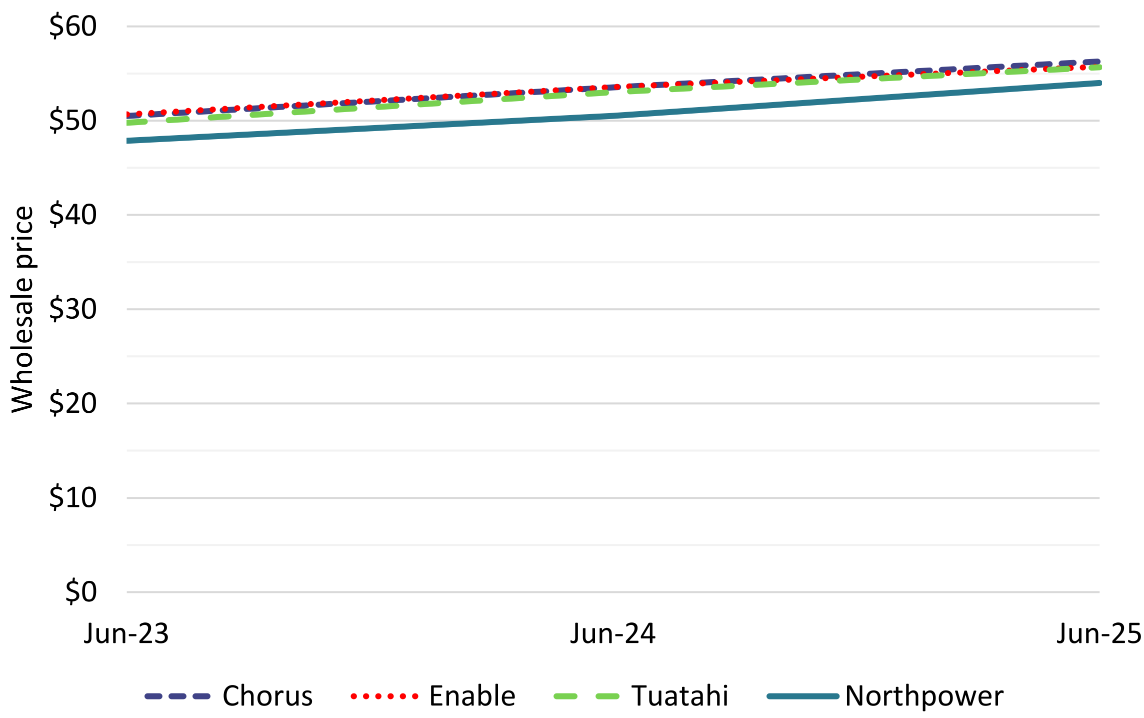
59 Commission data.
60 Commission data. The number includes both 4G/5G FWA and NC FWA connections.
61 A small number of WISPs are retailing 5G FWA wholesaled from the MNOs.

We do not report on wholesale pricing for FWA or other urban non-fibre technologies because this information is not publicly available. Wholesale terms for FWA are commercially negotiated between RSPs and network operators. Copper wholesale pricing is discussed in the Rural chapter.

Fibre wholesale pricing[62]

As shown in Figures 3.17 and 3.18, Chorus and other LFCs' pricing for Fibre 300 (which became Fibre 500) and Fibre Max were fairly similar, despite differences in network scale and cost structures, with Northpower's prices consistently lower than those of other providers over the past three years.

Figure 3.17 Wholesale fibre prices—Fibre 300

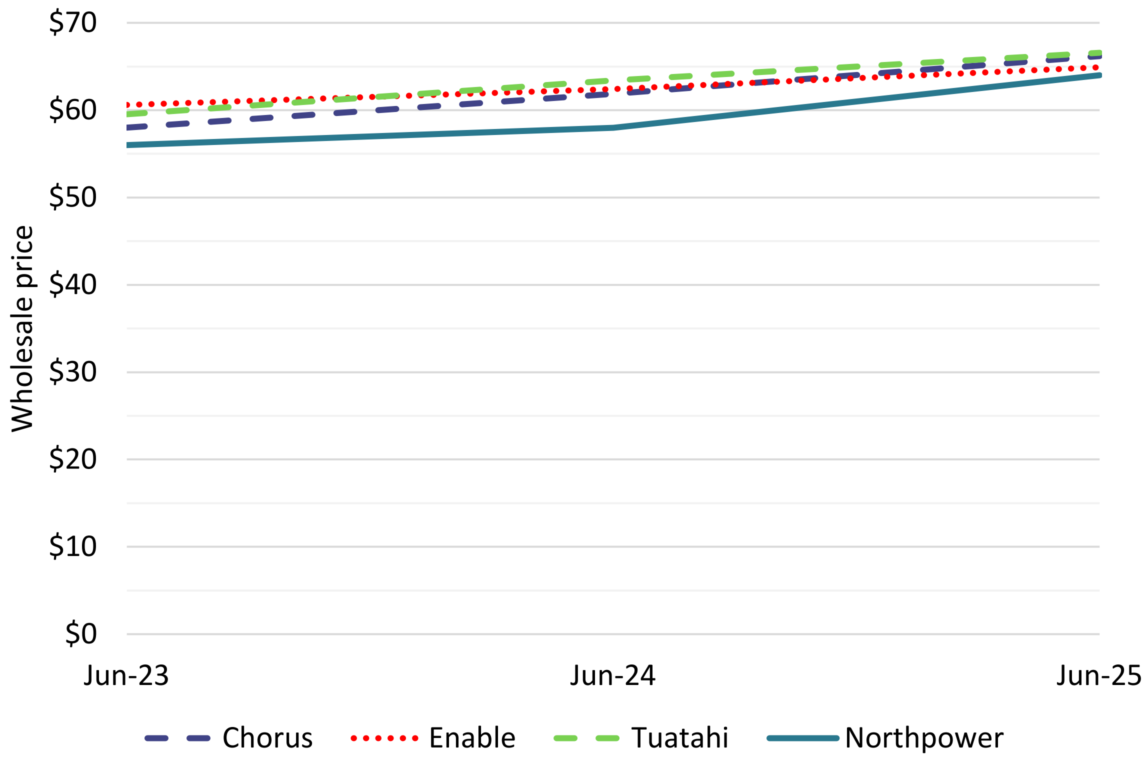


Source: LFC price lists [62]

The degree of price alignment across Chorus and other LFCs suggests that wholesale fibre prices may be effectively benchmarked to Chorus's pricing. This has implications not only for profitability analysis, but also for the extent to which wholesale competition is actively constraining prices, an issue the Commission is examining further.

[62] Wholesale price lists are available on each LFC's website.

Figure 3.18 Wholesale fibre prices—Fibre Max



Source: LFC price lists[63]

Chorus price increases to its Broadband Anchor, Voice Anchor and Large User Direct Fibre Access services are subject to annual consumers price index (**CPI**)-adjusted price caps.[64] Both the Fibre 300 and 1Gbps products are not subject to price caps. In the most recent adjustment in January 2025, Chorus increased the price of its 300Mbps (now Fibre 500) product by 5.1%, following a 6.0% increase the previous year.

Chorus also increased the price of its 1Gbps product by 7.0%, following a 6.7% increase the prior year.

50Mbps service

All LFCs provide a discounted Fibre Starter product aimed at price sensitive customers (Table 3.5). The product was boosted from a 50/10 product to a 100/20 product in June 2025.

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63 Wholesale price lists are available on each LFC's website.

64 The maximum price increases or decreases (as appropriate) are determined by an annual CPI adjustment on 1 July each year.

Table 3.5 Fibre 50 wholesale fibre prices

LFC	Fibre 50 (Fibre Starter)	Fibre 50 (normal)
Chorus	$38.00	$53.96
Enable	$38.00	$51.49
Northpower	$38.00	$58.30
Tuatahi	$38.00	$51.43

Source: LFC price lists[65]

Since 2022, Chorus, Enable, Northpower and Tuatahi each introduced the product at reduced wholesale prices to support RSPs in offering retail prices at or below a fixed retail price cap of $65. However, where a retailer chooses to price the plan above the price cap, it will be charged the normal Fibre 50 rate. These products were designed to compete directly with MNOs' lower-cost 4G FWA offers and to make fibre a more attractive option for consumers migrating off the copper network.

Profitability of regulated fibre providers

One of the aims of fibre regulation under the Act is to limit regulated providers from earning excessive profits over the long term, while supporting outcomes that benefit consumers over time. Monitoring providers' profitability helps us assess whether this outcome is being achieved.

In February 2026, we published our profitability of regulated fibre service providers report, which analysed the profitability of fibre providers in the 2023 and 2024 disclosure years.[66] These were the first full years with complete data for all providers after the regulatory regime started on 1 January 2022.

Northpower and Enable earned higher-than-expected returns in 2023 and 2024, with these outcomes reflecting, in part, lower costs or tax-related factors. However, with only limited data available, it is not yet clear whether these outcomes will be sustained over time. Tuatahi and Chorus had returns below their benchmarks.

We measure profitability by comparing two main measures: Return on Investment (ROI) and the Weighted Average Cost of Capital (WACC).

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65 These plans changed to Fibre 100/20 in June 2025 in the speed boosts but we have reflected all as Fibre 50 for consistency. Wholesale price lists are available on each LFC's website. We note that Northpower had a Fibre 100/20 product at a cheaper price ($52.87) than the regular Fibre 50 product.

66 Commission "Profitability of regulated fibre service providers report" (February 2026), https://www.comcom.govt.nz/regulated-industries/fibre/regulated-fibre-provider-performance-and-data/profitability-of-regulated-fibre-service-providers/.

- ROI shows how much profit a provider earned compared to the money it invested.
- WACC reflects the provider's expected financing costs and is used as a benchmark to assess whether profits were reasonable.

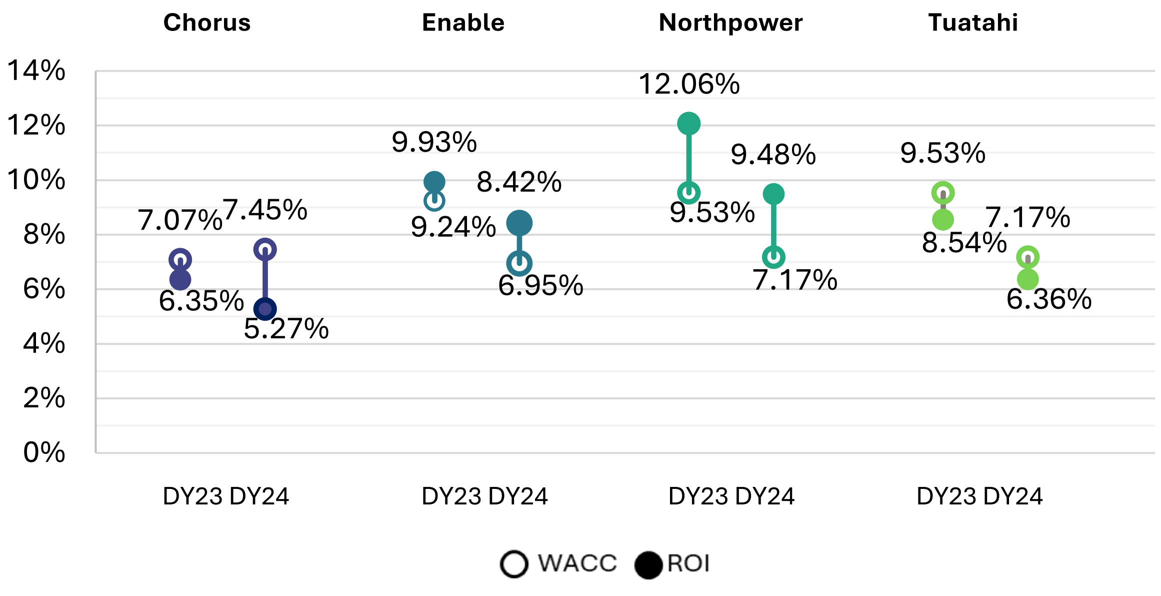
If a provider's ROI is consistently higher than WACC, this may indicate that it is earning excess profits.

Figure 3.19 highlights our finding that Northpower and Enable earned returns above their benchmark WACC in both 2023 and 2024.[67]

For both providers, lower depreciation contributed to higher reported returns compared to the benchmark. In addition, Northpower's profitability reflects the use of tax losses. These factors primarily affect the timing of cost recognition and tax payments, rather than indicating permanent reductions in underlying costs.

Enable's higher reported returns compared to the benchmark were also partly driven by lower operating expenditure. If Enable's ROI exceeds WACC in the short term due to efficiency gains, we would not view this as excessive. However, if such gains persist over a longer period, we would expect providers to share the benefits of sustained efficiencies with end users.

Figure 3.19 ROI compared to WACC



Source: Commission analysis of fibre ID data[68]

[67] Northpower's ROI may have been elevated also by the benefit from low-cost Crown funding. This was identified through subsequent engagement with Northpower after publishing the profitability report.

[68] Because the providers' disclosure years end at different times, their inflation-adjusted WACC figures can differ even when they relate to the same year.

Tuatahi and Chorus (which is subject to revenue limits and minimum quality standards) earned returns below their benchmark WACC.

Two years of data is insufficient to draw firm conclusions about whether any provider is earning excess profits or under-recovering their costs on a sustained basis. Returns can be volatile from year to year (due to factors such as the timing of cash flows and inflation), and it is normal for them to fluctuate relative to the benchmark.

We will continue to monitor the profitability of regulated fibre providers over time as more data becomes available.[69] We regularly publish fibre performance visualisations which present ID data as disclosed by fibre providers.[70] These visualisations support us and other stakeholders to better understand how regulated providers are performing over time, including whether returns appear reasonable. We may publish further profitability analysis once a sufficient trend has emerged over a number of years.

Urban wholesale summary

Fibre networks continued to expand beyond the original UFB footprint, with LFCs extending coverage into new developments and urban fringe communities.

Growth in active fibre connections generally matched the scale of each provider's network, with Chorus adding the largest share. Nationwide growth slowed through 2024, influenced by weaker residential construction and predictable seasonal effects such as holiday lulls and regional churn around the academic year. Despite this, total connections continued to rise, with growth expected to stabilise as the market matures and coverage becomes more complete.

As the rollout phase gives way to a more mature market, the focus of wholesalers is shifting toward factors such as pricing, plan mix, profitability and the extent of downstream competition. Changes to speed tiers and pricing in June 2025 will influence how consumers choose between fibre plans in the coming years. The Fibre 300Mbps plan (now Fibre 500) remained the most popular, but its share declined as more users chose the 50Mbps plan (now Fibre 100), which became the fastest-growing speed tier.

69 In our Profitability of regulated fibre service providers report we note our intention to engage with providers on our findings to develop a deeper understanding of their performance, including how ID-only providers set their pricing, since revenues are an important part of assessing a provider's return.

70 See https://www.comcom.govt.nz/regulated-industries/fibre/regulated-fibre-provider-performance-and-data/fibre-performance-visualisations/.

Retail | Hoko ā-toa

Retail telecommunications markets are where consumers purchase connectivity services, with products packaged and marketed by competing providers. While retail outcomes have been shaped by wholesale access regulation, government investment and network upgrades, competition is now increasingly influenced by factors such as bundling, brand, service quality and switching frictions, rather than access to infrastructure alone.

This section examines the urban retail market structure, concentration and associated trends including change in market share by providers and technologies. It also compares the uptake of certain technologies on a per capita basis to other OECD nations. It then outlines the range of retail offers available from a range of providers before exploring the differences and changes in retail prices between technologies.

The retail telecommunications market in New Zealand has over 100 RSPs—characterised by a few large operators and a long tail of RSPs with smaller customer bases. This market structure for retail telecommunications is common across the world. Larger providers in this setting are either legacy incumbents or entrants that have been able to invest, compete and grow.

There are primarily two distinct types of RSPs operating in the urban broadband market:

- Vertically integrated RSPs that can offer 4G/5G FWA services using their own mobile networks as well as retailing wholesale offerings from Chorus/LFCs.
- RSPs without networks that build retail products based on wholesale inputs from network providers. An increasing number of players in this category are energy retailers.

Market structure and concentration

Retail market concentration

Market concentration is a key structural characteristic, capturing the extent to which a market is dominated by a relatively small number of firms.

There are several ways to look at market concentration. We have chosen to use both the Herfindahl-Hirschman Index (**HHI**) and a simpler market concentration ratio (**CR**):

- HHI analyses market shares of each firm in a market to determine a value of market concentration—an HHI between 1,500 and 2,500 indicates moderate concentration, whereas values above this indicate high concentration.
- The market concentration ratio looks at the market shares of the largest providers relative to the total market share. The analysis in this report uses CR3, which measures the market share of the three biggest providers in a market, and CR5, which measures the five largest providers in a market.

This year, we have moved from using the NIFF figure for total fibre broadband connections to a figure sourced from our own Annual Industry Questionnaire. This change in approach—which we will adopt going forward—better aligns the data used in this report. This updated figure is used to estimate the total broadband market for calculating national market share (residential and business).

Because this figure is higher than the NIFF published number, it results in a slightly larger apparent decline in market concentration and in the market shares of larger providers year on year than would have been observed using the NIFF data.

At a national level, the broadband market (residential and business) remained moderately concentrated, with the biggest three providers holding 68% of the market (CR3) and the top five accounting for 82% (CR5). The national HHI was 1,782 (Table 3.6). Globally, it is estimated that nearly 80% of countries have a HHI of over 2,000 in their national broadband markets.[71]

Table 3.6 Market concentration ratio and HHI

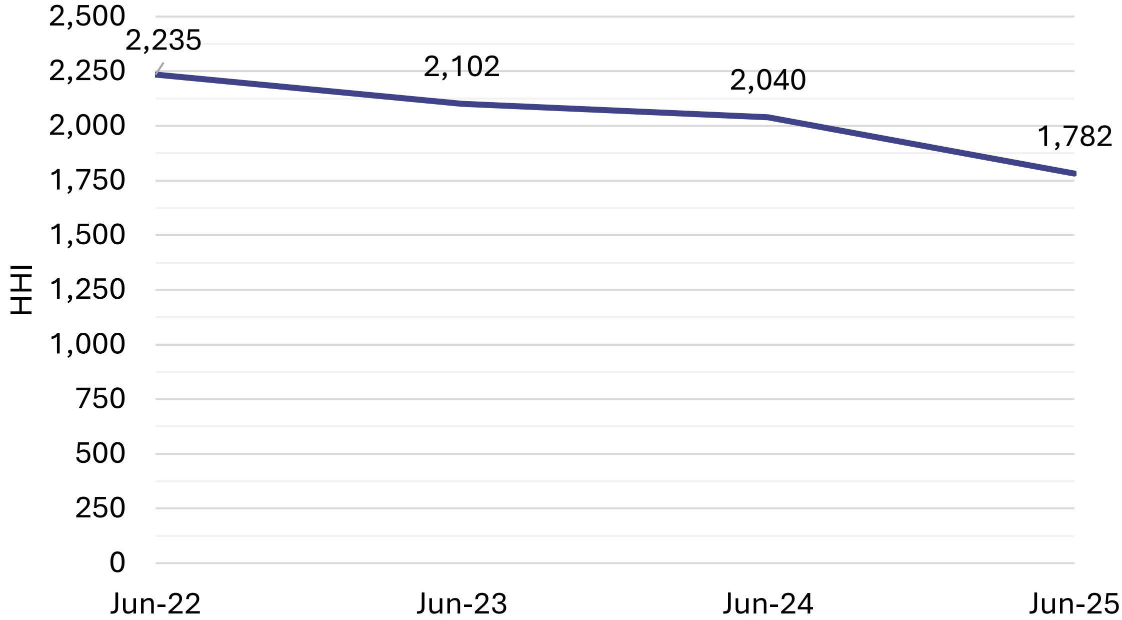
Metric	National (residential and business)	Urban (residential)	Rural (residential)
CR3	68%	72%	68%
CR5	82%	89%	79%
HHI	1,782	2,007	1,685

Source: Commission analysis of NIFF, Chorus and Commission data

[71] Internet Society "Measuring Internet Market Competition" (May 2025) https://pulse.internetsociety.org/en/blog/2025/05/measuring-internet-market-competition/.

These figures represent a decrease in market concentration from last year, when the CR3 was 73% and the HHI was 2,040. The dominance of the largest providers has gradually declined, as reflected in a decrease in the HHI (Figure 3.20). This downward trend remains unchanged since the merger of Vocus and 2degrees in 2022. This shift reflects the continued growth of smaller entrants, particularly energy bundlers and Starlink, who have gained market share nationally.

Figure 3.20 National broadband market HHI 2022–2025



Source: Commission analysis of Commission data

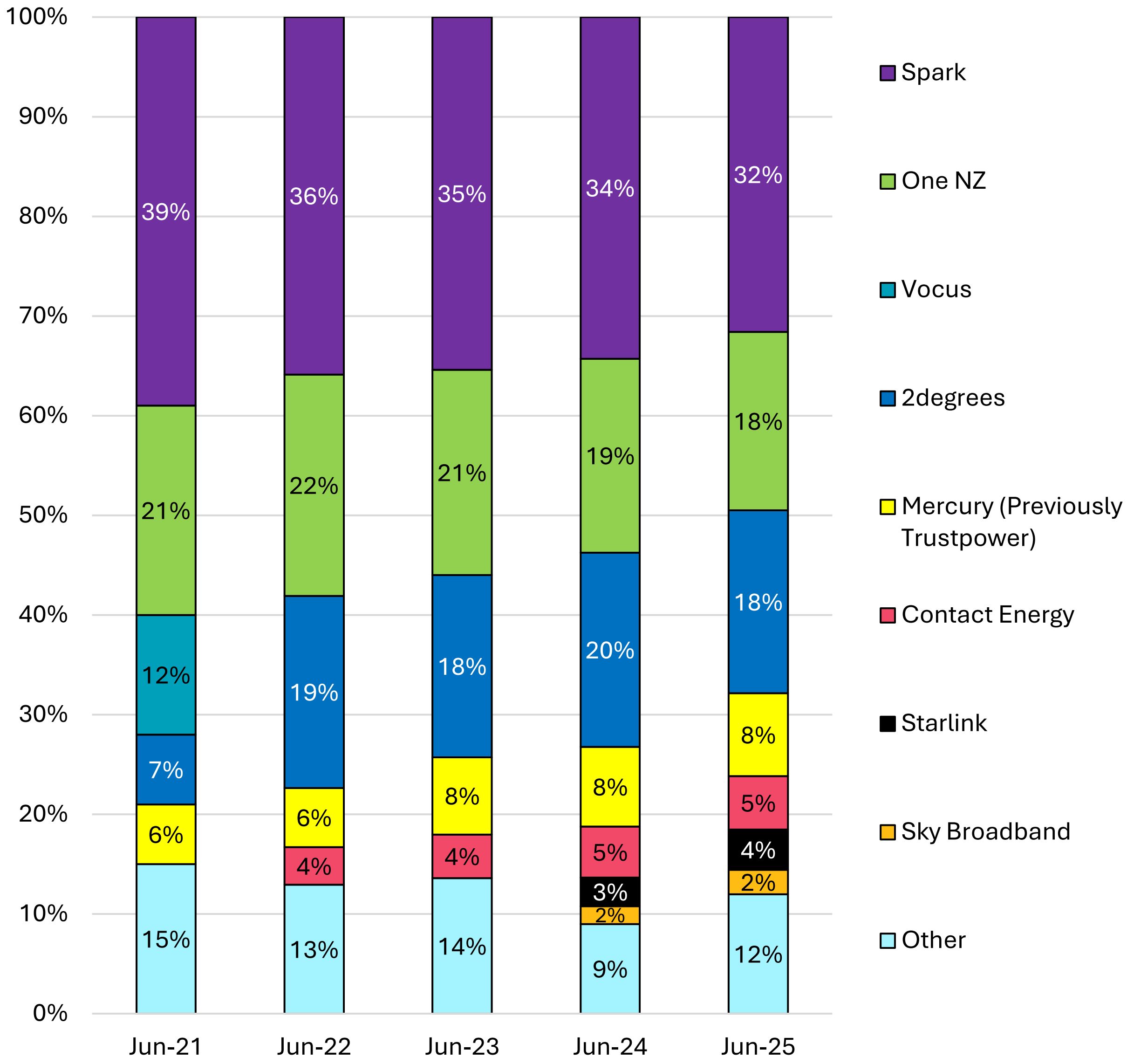
The urban residential broadband market remained more concentrated than the national market (Table 3.5), with a CR3 of 72%, a CR5 of 89%, and an HHI of 2,007. These figures improved slightly from the year to June 2024, when the CR3 was 75%, the CR5 was 91%, and the HHI was 2,148. This higher concentration compared to rural areas reflects the strong position of a small number of large providers in urban markets. These providers have established customer bases in the primary technologies used in these areas, including fibre and 4G/5G FWA services, along with the ability to bundle broadband with other services.

Retail market share

National market share

Figure 3.21 shows the national (urban and rural) retail broadband market shares over time.

Figure 3.21 National retail broadband market share



Source: Commission analysis of NIFF, Chorus and Commission data[72]

At a national level, between 2021 and 2025, Spark and One NZ lost market share, with share being captured by smaller and newer providers, including energy bundlers such as Mercury and Contact, as well as Starlink and Sky Broadband. By contrast, 2degrees' share of the retail broadband market remained broadly stable since the Vocus merger, although it is now level-pegging with One NZ as the second largest broadband provider in New Zealand.[73]

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72 Vocus and 2degrees merged in 2022.

73 There is a 0.4 percentage point difference between 2degrees and One NZ which is hidden by rounding in Figure 3.23.

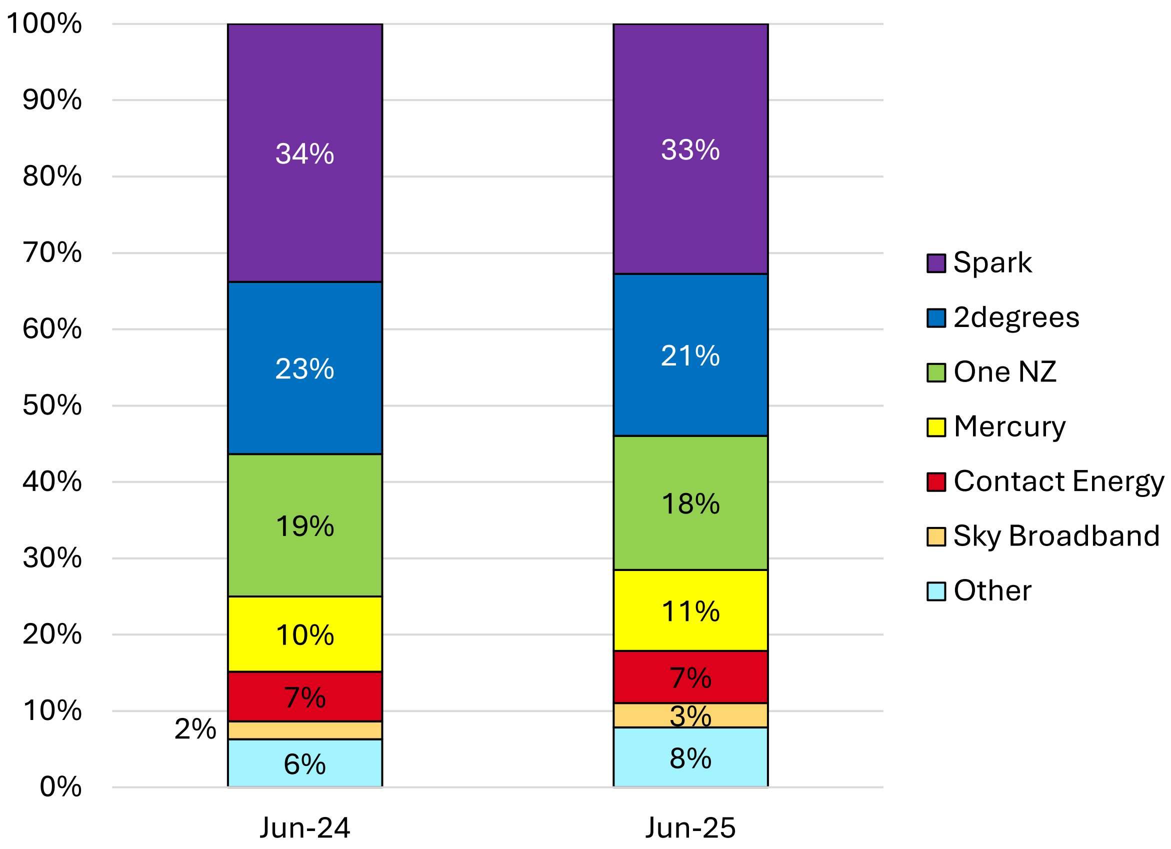
While 2degrees is often characterised as a challenger provider, market share trends suggest that much of the observed competitive pressure has come from smaller providers, particularly those competing through bundled service offerings with energy or TV.

Urban residential market share

Figure 3.22 shows the urban only residential market shares of RSPs. 2degrees, Mercury and Contact Energy all had a stronger presence in urban areas than they did nationally, reflecting their focus on urban customers and their higher proportion of fibre connections. In contrast, Spark and One NZ had a larger share of rural customers, many of whom rely on 4G/5G FWA services. As the longest-standing MNOs, they were for many years the primary option available to rural consumers before 2degrees entered the market.

The largest three retailers—Spark, One NZ and 2degrees—lost market share between June 2024 and June 2025. Mercury increased its market share from 10% to 11% over the same period. We saw smaller providers such as Sky Broadband achieve growth over the last year.

Figure 3.22 Residential broadband market share in urban areas



Source: Commission data

Size of urban RSPs

Table 3.7 shows the urban residential customer base of RSPs at June 2025. In recent years, by collecting residential connection data directly from the wholesale providers, we have added more smaller providers to our dataset.

Table 3.7 Size of urban RSPs

Number of urban residential retail connections	Number of providers
>200,000	3
50,001–200,000	4
20,001–50,000	1
5,001–20,000	8
1,000–5,000	20
<1,000	>80

Source: Commission data

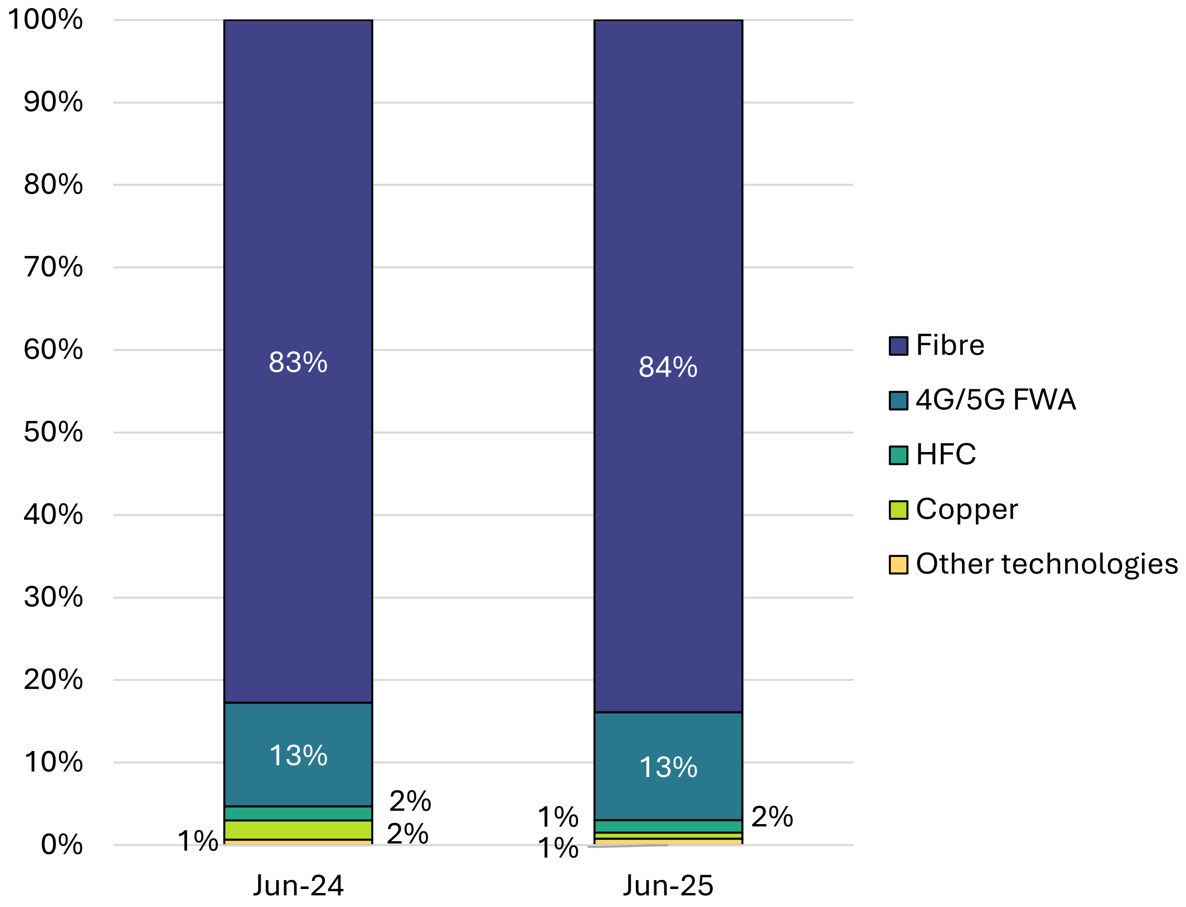
The urban retail broadband market was dominated by the largest three retailers with over 200,000 urban connections each. However, there were also over 80 RSPs with under 1,000 urban connections that participate in the market. An example is the WISPs that operate on a small scale and offer urban plans in towns around New Zealand. While these retailers can offer benefits such as local service and regional expertise, their small scale means their overall impact depends on how much they compete with larger providers.

Compared to last year, there has been an increase of providers with 1,000–5,000 customers, and a decrease in those with fewer than 1,000 customers, indicating that there has been growth in the size of some smaller providers. Each year, the number of providers with larger numbers of retail customers appears to grow, indicating that small providers have an important role in the market as they continue to scale.

Retail share by technology

As of 30 June 2025, around 84% of urban residential connections used a fibre service, up slightly from 83% last year (see Figure 3.23). This continued increase in uptake reflects fibre's broad role in urban markets.

Figure 3.23 Estimated share of urban residential broadband connections by technology



Source: Commission data

HFC connections continued to decline in urban areas (HFC was only located in parts of Wellington and Christchurch), accounting for just 2% of total urban residential connections. Nationally, HFC connections fell by 10% over the past year, dropping from 29,000 to 26,000.[74]

Copper connections also decreased sharply as Chorus nears completion of its copper withdrawal programme. Urban copper broadband connections were down 68% in the year to June 2025, and now represent only around 1% of total residential connections.[75]

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74 Commission data.

75 As we have sourced copper connections information from the wholesaler, we were unable to split connections by residential and business. Chorus "Q4 FY25 Connections Update" (July 2025), page 7 https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

Residential 4G/5G FWA connections continued to make up 13% of total urban residential connections. We estimate that there were around 207,000 urban residential 4G/5G FWA connections as of June 2025, an increase of 4% over the past year. Nationally, 4G/5G FWA broadband numbers (both residential and business) were relatively flat, rising by 2% to 397,000.[76]

While residential 5G FWA services grew rapidly, uptake remained small relative to the broader urban broadband market. At around 14,000 connections, 5G FWA accounted for less than 1% of total urban residential connections as at June 2025.[77] As a result, most urban FWA users continued to rely on 4G services, despite ongoing investment in 5G networks and expanding coverage. Factors such as pricing, product positioning and provider incentives may have limited the pace at which consumers shift from 4G to 5G FWA.

Our analysis shows that 11% of all national satellite connections (approximately 8,400) were in urban areas. The proportion of satellite connections in urban areas has not increased since 2024.

International market comparisons

The New Zealand broadband market continued to show patterns that closely align with developments observed internationally. Many advanced economies are now in a mature phase of fibre deployment, where attention has shifted from expanding coverage to improving performance and guiding consumers toward plans that better match their needs.

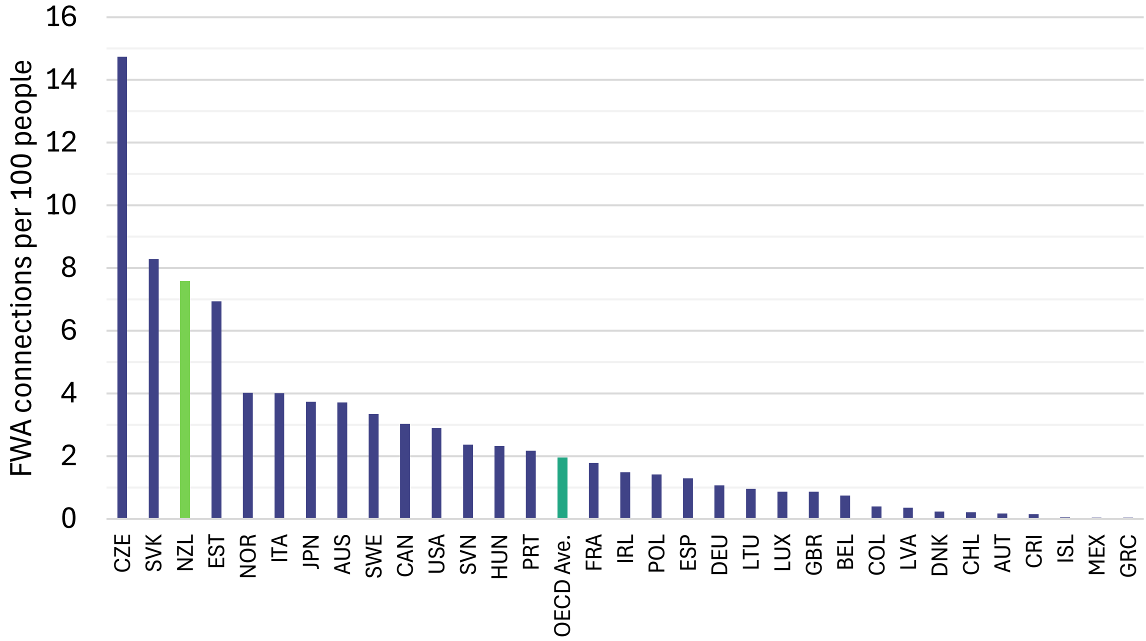
Fibre uptake continued to rise in New Zealand but at a slower pace, and a growing share of households were concentrated in mid-range fibre tiers such as Fibre 50 and Fibre 300 at the end of 2025.

FWA is also becoming more prominent internationally as 4G and 5G networks expand, and in many markets it has emerged as a primary monetisation strategy for 5G deployment, competing directly with entry-level fibre products. This trend aligns with our retail findings, where FWA remained an alternative option for cost-conscious and rural households, and continued to attract new users (Figure 3.24).

76 This number includes both residential and business connections and both 4g/5G FWA and NC FWA services.

77 Commission data.

Figure 3.24 4G/5G FWA connections per 100 people (nationwide—Dec 2024)



Source: OECD (December 2024)[78]

In markets with challenging geography, satellite broadband providers, particularity those offering LEO satellites, are beginning to play a larger role. We expand on the role satellite plays in New Zealand compared to other OECD countries in our rural retail section.

OECD technology share comparisons (national)

The following graphs are sourced from the OECD and compare New Zealand's national broadband market against other OECD members. Figure 3.25 shows fibre connections as a percentage of total fixed broadband connections in OECD countries.

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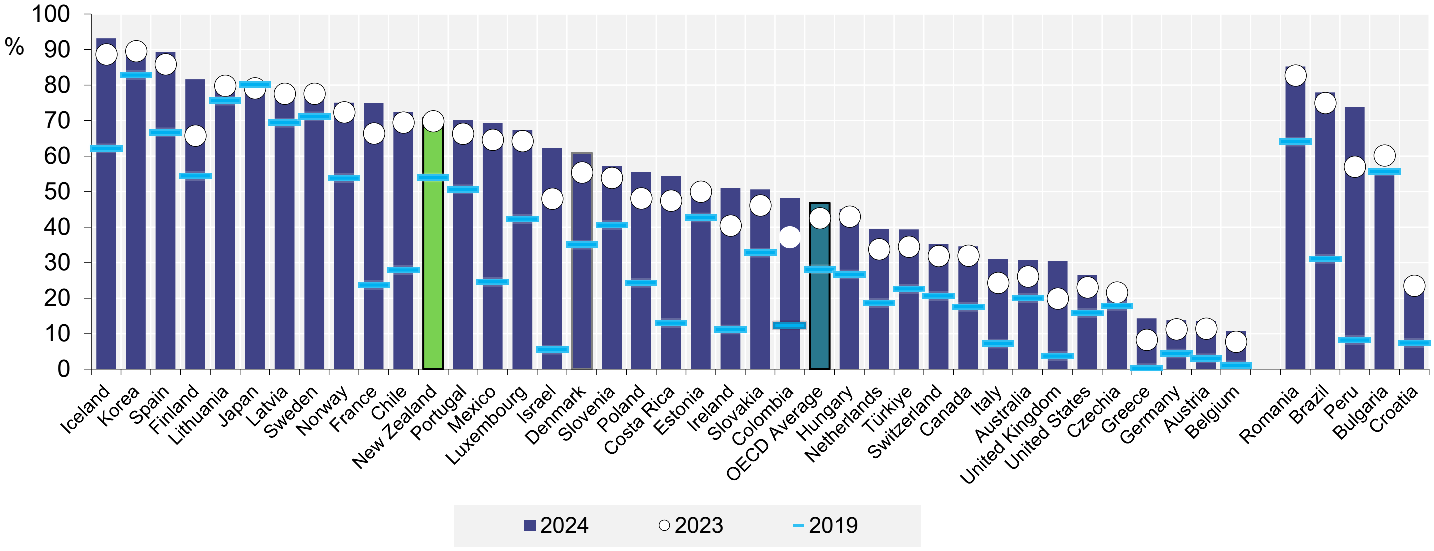
78 OECD "Broadband statistics", see https://www.oecd.org/en/topics/sub-issues/broadband-statistics.html#downloads.

Figure 3.25 Percentage of fibre connections in total fixed broadband (December 2024)



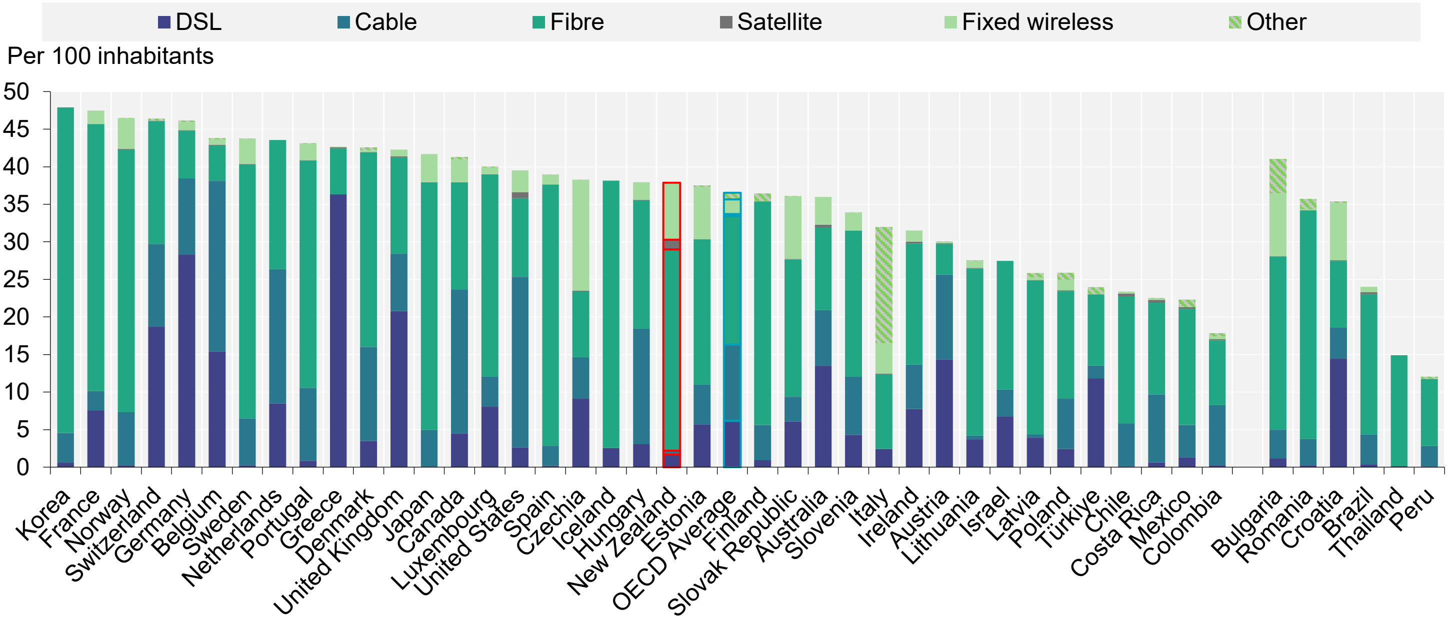
Source: OECD (December 2024)[79]

New Zealand ranks 12th in the OECD for its uptake of fibre broadband, with around 71% of total connections (both urban and rural) being fibre. While this marks a 0.9 percentage point increase year on year, New Zealand slipped two places in the rankings as fibre uptake in Chile and Finland grew more quickly. Over the same period, the OECD average for fibre connections increased by 4.4 percentage points to 46.9%.

Figure 3.26 shows the broadband technology mix of OECD members.

[79] Countries in the process of accession to the OECD are also included for reference. Data this year is available for five of these, Romania, Brazil, Peru, Bulgaria and Croatia. OECD "Broadband Statistics – Percentage of fibre connections in total fixed broadband" (December 2024), https://www.oecd.org/digital/broadband/broadband-statistics/.

Figure 3.26 OECD Fixed broadband subscriptions per 100 inhabitants, by technology (December 2024)



Source: OECD (December 2024)[80]

Over the past five years, overall connectivity has improved, with fixed broadband subscriptions per 100 inhabitants rising by around 3.5 connections in New Zealand and 4.7 in the OECD. New Zealand has remained consistently above the OECD average, indicating relatively strong uptake and sustained growth in connections.

Relative to the OECD average, New Zealand's fixed broadband market shows a high reliance on fibre, with fibre share well above the OECD average. 4G/5G FWA and satellite connections account for a much larger share of total subscriptions than for most other OECD countries, with around 7.6 4G/5G FWA subscriptions per 100 people in New Zealand compared with 2.0 across the OECD, and 1.3 satellite subscriptions per 100 people compared with just 0.3. By contrast, New Zealand had substantially lower levels of copper (ADSL and VDSL) and cable (HFC) broadband than the OECD average, reflecting the shift away from legacy copper-based networks.

80 Countries in the process of accession to the OECD are also included for reference. DSL is copper and cable is HFC. This data this year is available for six of these, Bulgaria, Romania, Croatia, Brazil, Thailand and Peru. OECD "Broadband Statistics - Fixed broadband subscriptions" (December 2024), https://www.oecd.org/digital/broadband/broadband-statistics/.

Retail offers

RSP offers in the retail telecommunications market are made up of several key aspects:

- Available network infrastructure (either through ownership or wholesale regulated/commercial access terms). In urban areas, this covers fibre, copper, 4G/5G FWA, HFC and LEO satellite.
- Service performance characteristics such as download speeds, upload speeds, latency and data caps.
- Service add-ons (or bundled services), if any, that will be included in the offer such as subscription services or energy.
- Price and pricing structure, including headline monthly charges, promotional discounts and contract length.

> The highest retail speed achievable by a 1Gbps wholesale product is around 940Mbps given that about 6% or 60Mbps of the 1,000Mbps is taken up by technical overheads. These plans are typically marketed under other names such as Fibre Max, Gigantic Fibre and Fibre Pro. In this report, we refer to the product as Fibre Max.

Network infrastructure

> In this report, we refer to large urban RSPs with over 20,000 residential connections as major RSPs. Collectively, these RSPs make up around 95% of the residential urban broadband market.

Urban consumers have access to a wide range of broadband options across different technologies, with most major RSPs offering Fibre 50 (now Fibre 100), Fibre 300 (now Fibre 500) and Fibre Max plans. 4G/5G FWA services are also widely available, with 5G FWA offerings from the largest three retailers and 4G FWA plans from a group of smaller RSPs, while HFC remains limited to a single provider. Satellite services such as Starlink are technically available to urban consumers but used primarily in rural areas.

While the range of available technologies suggests broad choice, the competitive significance of these options varies considerably, with fibre and 4G/5G FWA accounting for the majority of urban connections and other technologies playing a more limited role in shaping market outcomes.

Table 3.8 shows the number of providers offering residential services over different technologies in urban areas. Fibre Max and Fibre 300 products continued to have the largest number of listed providers, with over 100 providers retailing Fibre 300 services nationwide. However, the number of providers does not necessarily reflect the strength of effective competition, as many operate at small scale or may not represent realistic options for most consumers. While 2degrees was the only major RSP offering Hyperfibre plans, more than ten providers were retailing residential Hyperfibre services at the end of June 2025. The limited demand for the fastest fibre plans was reflected both in the relatively small number of providers offering Hyperfibre and in its more niche role in the market.

Table 3.8 Technology offerings by RSPs in urban areas

Technology	Plan	Number of providers
Fibre	Fibre 50	>50
	Fibre 300	>80
	Fibre Max	>80
	Hyperfibre	>10
FWA	4G	>20
FWA	5G	3
HFC	HFC	1
LEO satellite	LEO satellite	1

Source: Commission data from provider websites

Service characteristics—speed

As shown in Table 3.7 and Table 3.8, the 300Mbps (now 500Mbps) and 1Gbps plans continued to be the core residential fibre plans retailed by RSPs.

Spark, One NZ and 2degrees served the lower-cost, lower speed segment of the market using the 50Mbps fibre plan (now 100Mbps) alongside their own 4G FWA offers.

Service characteristics—data caps

> Data caps are used to manage user behaviour in locations where network capacity is scarce.

Most fibre broadband plans do not impose data caps. With the exception of Spark's entry-level fibre plan, which includes a data allowance at lower speeds, fibre plans offered by major RSPs were typically unlimited data. This reflects not only the capacity of fibre networks, but also the role of unlimited data as a core part of the fibre value proposition, distinguishing it from some 4G/5G FWA offerings where data limits or network management practices can shape the overall user experience.

By contrast, data caps remained a more common feature of 4G/5G FWA plans. As shown in Table 3.9, urban 4G/5G FWA data caps offered by major RSPs range from 50GB up to 1,000GB, with some RSPs removing lower data cap options over the past year. Most RSPs continued to offer an unlimited plan alongside capped options, with unlimited plans accounting for more than half (~60%) of residential offerings. The continued presence of capped plans indicates that, despite improvements in performance, FWA remains differentiated from fibre in how usage is managed.

LEO satellite broadband services, such as Starlink, also typically offer unlimited data usage. While uptake in urban areas remains limited, these services are likely to exert stronger competitive pressure in areas without fibre, where they represent a more direct alternative to 4G/5G FWA plans.

Table 3.9 Residential urban 4G/5G FWA broadband offers by major RSPs in urban areas

RSP	Data cap options	Unlimited plan available?
Spark	50GB, 150GB	Y
Spark (Skinny)	60GB, 300GB	Y
One NZ	300GB	Y
2degrees	300GB	Y
2degrees (Slingshot)	300GB	Y
Mercury	120GB, 300GB, 1,000GB	N
Contact Energy	300GB	Y

Source: Commission data from provider websites

Service add-ons

Providers promote bundled telecommunications services (fixed and mobile services) or bundling of telecommunications services with non-telecommunications services (eg, video streaming subscription, energy) as offering single billing convenience and cheaper prices.

Since June 2024, take-up of broadband/energy bundles by residential consumers continued to increase to 335,000 in 2025, up 13% compared to the prior year.[81] Over the past five years we have seen consistent growth in this market segment, with these bundles increasing by over 200,000 across the period. This trend suggests that bundling is becoming an increasingly important source of competitive pressure and switching in urban retail broadband markets, as providers compete not only on standalone broadband offers but on the overall value of bundled services.

In 2025, energy bundlers such as Mercury and Contact Energy offered more attractive broadband prices than larger providers. However, there is a risk that savings on telecommunications services are offset by higher energy prices compared with standalone offers, which has important implications for overall consumer outcomes.[82] We issued guidelines in 2023 to improve transparency for consumers and we continue to monitor the consumer experience of bundled plans closely.

Bundling was more common in urban areas as energy bundlers mainly provide fibre broadband services, with some historically providing copper services in rural areas. As of June 2025, 2degrees was the only MNO providing bundled energy services with broadband.[83]

Service characteristics—plan

Table 3.10 shows the range of download speeds, retail prices and data caps for retail plans offered in urban areas over each technology. Chorus reported that, in June 2025, average monthly data usage reached 312GB on copper connections and 671GB on fibre connections.[84]

81 This number is sourced from our Annual Industry Questionnaire and only includes the four large energy bundlers (2degrees, Contact Energy, Mercury and Nova).

82 Commission "Improving Retail Service Quality: Product Disclosure – Emerging Views Paper" (October 2022), page 20 https://comcom.govt.nz/__data/assets/pdf_file/0035/294659/Improving-retail-service-quality-Product-Disclosure-Emerging-Views-paper-12-October-2022.pdf.

83 Based on Commission data.

84 Chorus "Q4 FY25 Connections Update", page 9 https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf. Note: as these are mean values, they may be influenced by higher-usage users.

Table 3.10 Urban plan characteristics

Technology/plan	Average download speed[85]	Price	Data caps
Fibre	50–900Mbps	$55–125	120GB to unlimited
Hyperfibre	2,000–8,000Mbps	$99–229	Unlimited
4G FWA	~50Mbps	$39–140	50GB to unlimited
5G FWA	~350Mbps	$69–80	Unlimited
HFC	~900Mbps	$73	Unlimited

Source: Commission data from provider websites

Fibre plans have the largest range of speeds, from Fibre 50 starter products with download speeds of around 50Mbps to 8,000Mbps Hyperfibre products. Hyperfibre is targeted at consumers with specific use cases such as gaming, content creation, or households and small businesses with higher usage needs. This wide range allows fibre to serve both lower-cost entry level demand and higher end premium use cases, which helps explain its continued dominance in urban markets.

Retail pricing

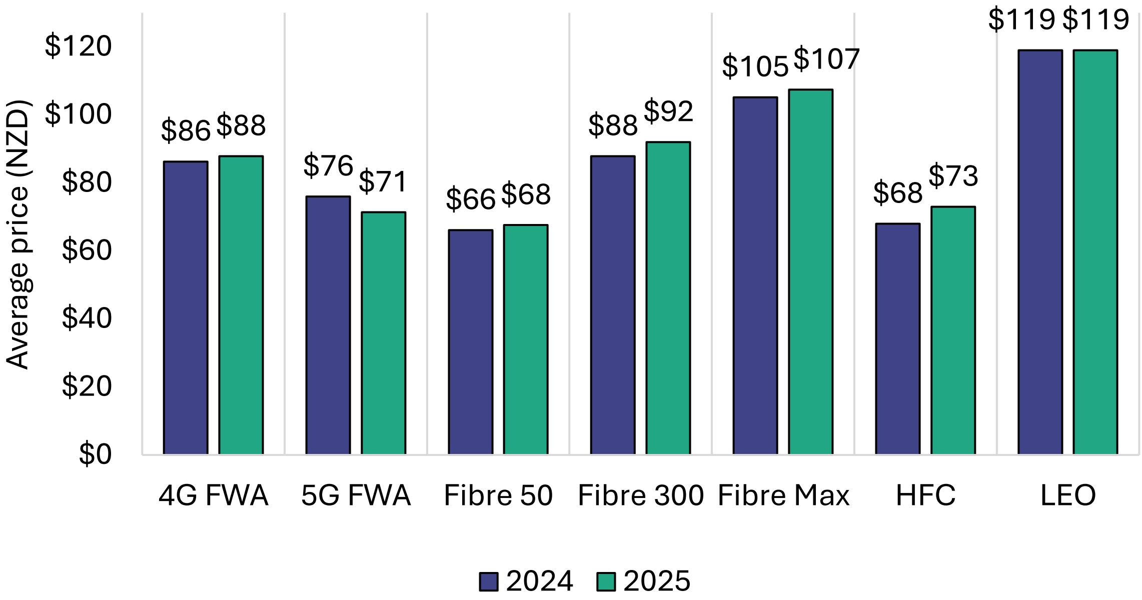
We use two indicators for retail pricing:

- The OECD's global price benchmarking looks at the lowest available prices across incumbent providers that combined include at least 70% of customers in each country. This data includes Spark, One NZ, 2degrees, Skinny and Slingshot for New Zealand.
- We also use the average price of a larger selection of New Zealand providers across multiple technologies, including fibre, copper, HFC, WISP networks and satellite. We collect these prices periodically from retailers' websites.

Figure 3.27 compares the change in the average price of unlimited data plans between 2024 and 2025.

85 Maximum download speeds were sourced from retailer websites and Commission "MBNZ – Report 24, June 2025", https://www.comcom.govt.nz/assets/Uploads/Measuring-Broadband-New-Zealand-Report-24-June-2025.pdf.

Figure 3.27 Average monthly price of unlimited data plans by technology



Source: Commission data from provider websites

During the year, prices for fibre, HFC, and 4G FWA plans all increased slightly, while 5G FWA dropped $5 (13%).

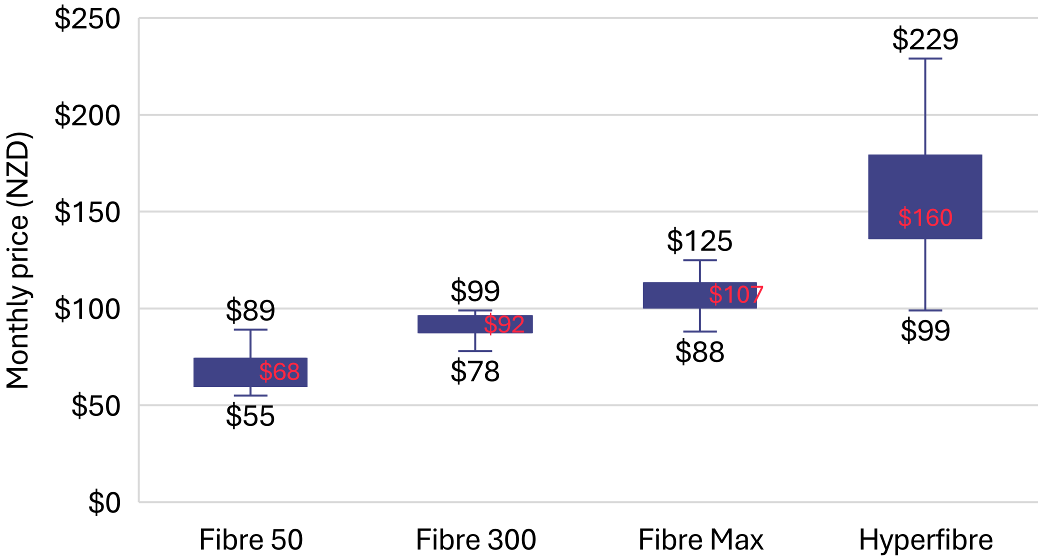
The reduction in average 5G FWA price this year may be intended to incentivise price sensitive urban consumers to move from fibre (particularly Fibre 300, where speeds are similar) to their network, or to incentivise 4G FWA consumers to upgrade to 5G FWA, where available. The LFC's speed boost in June 2025 appears a direct response to this (at a wholesale level), with the goal to achieve a performance premium once again for fibre plans.

Fibre

As noted in the infrastructure section, LFCs implemented speed upgrades to two major wholesale fibre tiers in June 2025, resulting in an upgrade in the entry level and mid-tier plan choices for retail consumers. This makes comparing pricing based solely on speed more challenging. However, as these plans were Fibre 50 and Fibre 300 for most of the year in scope of this report, we have retained those names and noted where the plans have changed where relevant throughout.

Figure 3.28 highlights the range of prices across four common fibre speed tiers. As expected, prices are tightest for the most common Fibre 300 plan.

Figure 3.28 Price range for unlimited data fibre plans by speed tier



Source: Commission data from provider websites[86]

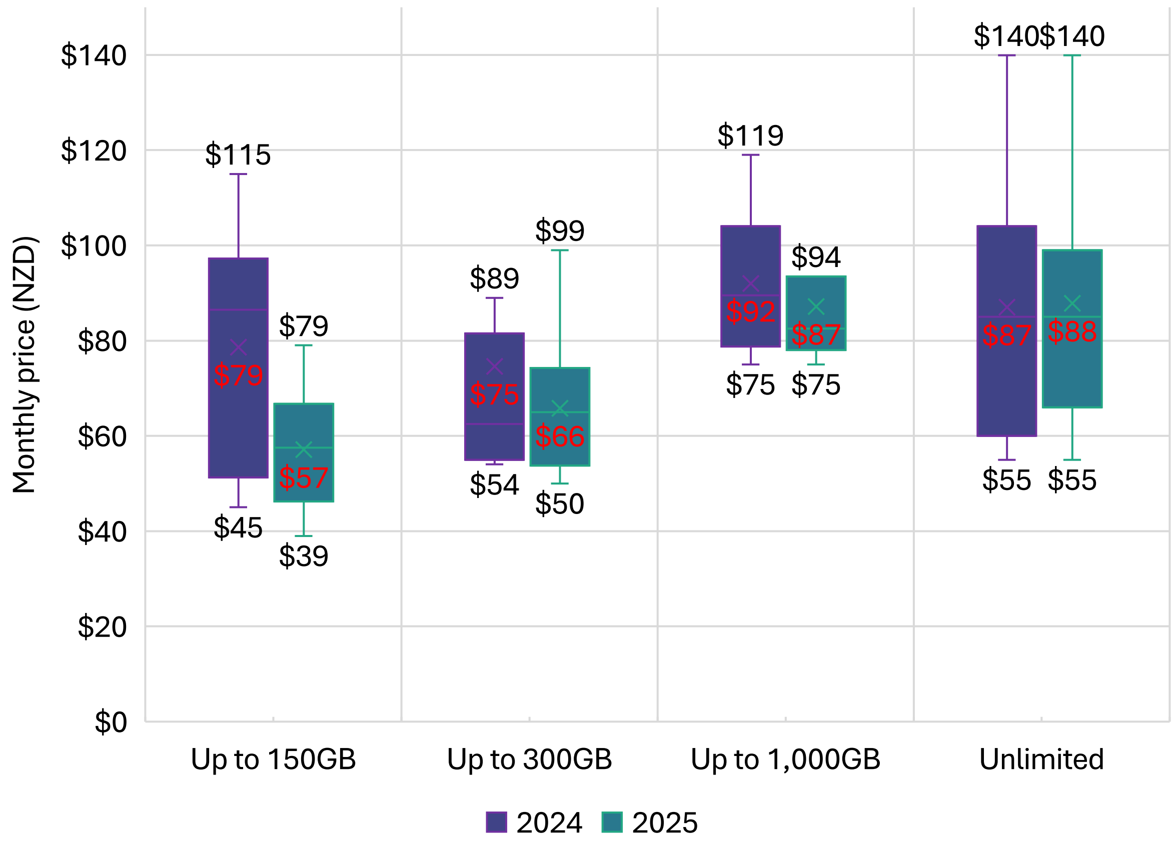
Interestingly, none of the three MNOs offered one of the 20 cheapest fibre plans (cheapest five across each of the four speed tiers). This reinforces the slightly higher average fibre prices by MNOs than other providers and highlights that some of the other RSPs are instead choosing to compete on price. Price sensitive consumers should look beyond the three MNOs for price-competitive fibre plans.

4G FWA

Urban consumers could choose between 20 unlimited data 4G FWA plans from 15 providers, including the largest three retailers. Figure 3.29 compares the minimum, average (in red), and maximum prices of urban 4G FWA plans with different data caps between 2024 and 2025.

[86] Prices shown in chart are the minimum, average, and maximum values of unlimited data fibre plans in urban areas. Fibre 50 plans with retail price caps were also included. We note that there were several different speed Hyperfibre plans available, eg, 2,000, 4,000, 8,000Mbps, hence the wide price range.

Figure 3.29 Price range for 4G FWA plans by data caps



Source: Commission data from provider websites

The prices for unlimited data 4G FWA plans remained steady in the last year, ranging from $55 to $140 per month. In contrast, the average and cheapest price for the data cap categories in Figure 3.29 all either fell or stayed the same. This, combined with the narrowing of the price range for these data caps, suggests an element of competitive pressure as the demand for data grows. It may also reflect an approach to capacity management by providers, through cheaper capped plans, as networks get busier.

Data caps ranged from 50GB to 1,000GB, and the average data cap across all plans was 345GB, up 2% from 338GB in 2024. Despite the average data cap increasing slightly, the average price per GB for a capped 4G FWA plan reduced 17% year on year, at $0.20 per GB.

Consumers had the choice of 24 4G FWA plans with data caps ranging from 50GB to 1000GB. Fibre plans with data caps were available across fewer options—four Fibre 50 plans and five Fibre 300 plans—with none offering data caps below 120GB. Table 3.11 outlines the cost per GB those capped plans offer.

Table 3.11 Plan characteristics & average price for capped data plans

		4G FWA (44Mbps)	Fibre 50 (52Mbps)	Fibre 300 (313Mbps)
Up to 150GB	Avg. data cap (GB)	111	120	138
	Avg. monthly price	$57	$63	$86
	Price per GB ($NZ/GB)	**$0.51**	**$0.53**	**$0.62**
Up to 300GB	Avg. data cap (GB)	300	250	225
	Avg. monthly price	$66	$79	$82
	Price per GB ($NZ/GB)	**$0.22**	**$0.32**	**$0.36**
Up to 1,000GB	Avg. data cap (GB)	733	*No plans available*	500
	Avg. monthly price	$87		$85
	Price per GB ($NZ/GB)	**$0.12**		**$0.17**

Source: Commission analysis from data from provider websites[87]

4G FWA plans with data caps of up to 150GB had an average price per GB of $0.51, 4% lower than Fibre 50 and 18% lower than Fibre 300. For data caps of up to 300 GB, the average price per GB for 4G FWA was $0.22, 31% below Fibre 50 and 39% below Fibre 300. Overall, 4G FWA may offer better value and choices for light users, such as those who prefer plans with capped data offerings, or do not require the higher speeds offered by Fibre 300.

In the context of cost-of-living pressures, 4G FWA services remained a cost-effective option for consumers with lower data and performance requirements. At the same time, rising data demand and improvements in entry level fibre speeds may have increased the appeal of Fibre 50 (now Fibre 100) for some consumers, particularly where unlimited data allowances were preferred, generally at a cheaper price point.

5G FWA

The average price of an unlimited data 5G FWA plan fell by 6.6%, decreasing from $76 per month in 2024 to $71 in 2025.

[87] We include the average download speeds in this table for further comparison of each technology. Commission "MBNZ report 24 June 2025", see https://www.comcom.govt.nz/assets/Uploads/Measuring-Broadband-New-Zealand-Report-24-June-2025.pdf.

Pricing strategies differed across the MNOs. One NZ maintained price parity between its 4G and 5G FWA plans, while Spark and 2degrees continued to charge a premium for 5G FWA services. Across these two providers, 5G FWA plans were priced approximately $9 to $20 higher than equivalent 4G FWA plans. The relatively more aggressive pricing of 5G FWA compared with both fibre and 4G FWA may reflect efforts to support uptake in urban areas, where penetration has so far remained limited. To date, MNOs appear to have prioritised wholesaling 4G network capacity to RSPs, rather than extending 5G products through wholesale arrangements or competing more aggressively on retail pricing, although this may evolve over time.

While One NZ did not charge a premium for its unlimited data 5G FWA plan, the average price of equivalent unlimited data plans offered by smaller RSPs was substantially higher, at around $105 per month. These providers also offered unlimited and capped data plans ranging from 300GB to 1,000GB, typically priced between $65 and $85 per month. Smaller RSPs tended to position themselves toward niche segments—such as customers requiring connectivity for motorhomes—or differentiated themselves as local providers offering personalised service and local customer support. As these offers emphasised mobility and regional presence rather than price competition, they were able to command a premium despite using the same underlying cellular networks as the major providers.

Overall, 5G FWA remained a lower-cost option than fibre services. Average pricing for unlimited data 5G FWA plans was 22% lower than Fibre 300 and 34% lower than Fibre Max. The price differential between unlimited data 5G FWA and Fibre 300 plans also widened significantly, increasing by 74% from $12 in 2024 to $21 in 2025. However, these price differences should be considered alongside differences in latency, consistency, and capacity, which affect overall value.

Hybrid fibre coaxial

There was one HFC plan, which offered roughly 900Mbps download speed and unlimited data. As of June 2025, the price was $73 per month. We note as at June 2025, One NZ did not advertise any HFC plans for sale on its website.

Landlines

Most modern landlines use VoIP, which is a technology that enables phone calls over a broadband connection instead of an analogue (eg, copper) phone line. Bundled plans (including a broadband and a landline service) will provide a VoIP service over the underlying broadband connection.

Landline pricing differs depending on whether the service is purchased on its own or bundled with broadband. Standalone fibre voice only plans typically cost around $49–$68 per month, while landlines added to an existing urban fibre broadband plan were often available for an additional $10–$15 per month (Table 3.12). These prices are not directly comparable, as the lower figure reflects a bundled add-on rather than a standalone service.

Table 3.12 Summary of urban retail voice plans by technology (August 2025)

Voice technology	Monthly price	NZ Landlines c/p/min	NZ Mobiles c/p/min	Notes
Fibre (voice only)	$49 or $68	$0.18	$0.48	Mercury ($49) and Spark ($68) were the only major RSPs who sell a fibre voice only plan.
Fibre (bundled)	From $70	Unlimited	$0.22	Landlines were able to be added to an existing fibre broadband connection from $10 a month.
4G/5G FWA (bundled)	From $60	$0.24	$0.39	Comes with 50GB monthly data.
LEO satellite[88] (bundled)	From $92	$0.05	$0.17	

Source: Provider websites at August 2025[89]

Across a range of common plan types, mobile services continued to deliver better value than voice services provided over fibre or 4G FWA. Fixed voice options typically started at around $60 per month for a fibre voice-only service and around $70 per month for bundled fibre services. 4G FWA bundles also sat at approximately $60 per month. These prices were consistently higher than widely available mobile plans that include national and trans-Tasman calling.[90]

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88 Starlink did not offer a voice service but this can be purchased from a third party to use over a Starlink LEO satellite broadband connection. This price includes both the broadband connection and the third party voice service.

89 Pricing data taken from the websites of RSPs (Spark, One NZ, 2degrees, Mercury, Starlink, Kiwi VoIP, Slingshot, Contact, Kogan, Warehouse Mobile and Rocket Mobile) on 26 August 2025.

90 Voice services offered over fibre are comparable with voice services offered over 4G/5G FWA, but cheaper than voice services over satellite.

In December 2024 we found that reasonable grounds existed to investigate the deregulation of fibre voice services. We commenced this investigation in June 2025.[91]

Price movements relative to other utilities and countries

Comparison to other utilities

Over the past ten years, telecommunications prices followed a different path to other utilities, though recent movements appear more aligned with electricity prices. When viewed over the longer term, telecommunications services nonetheless retain a degree of difference.

Figure 3.30 shows that over the past decade, telecommunications prices declined in the earlier years before rising again more recently, resulting in relatively little net change overall when compared with other household utilities. This pattern reflected the combined effects of strong retail competition, ongoing technological improvements and regulated wholesale access, alongside rapid growth in data use and bandwidth, which together placed downward pressure on quality-adjusted prices for much of the period.

More recently, the telecommunications price index increased, with rises continuing through 2024 and 2025. This shift marks a departure from the earlier downward trend and indicates that higher input and operating costs faced by providers, together with adjustments to retail pricing structures, are increasingly being reflected in consumer prices. Although quality improvements, such as faster entry-level fibre speeds, continued to moderate the impact on CPI, they no longer fully offset the underlying price increases observed in recent years.

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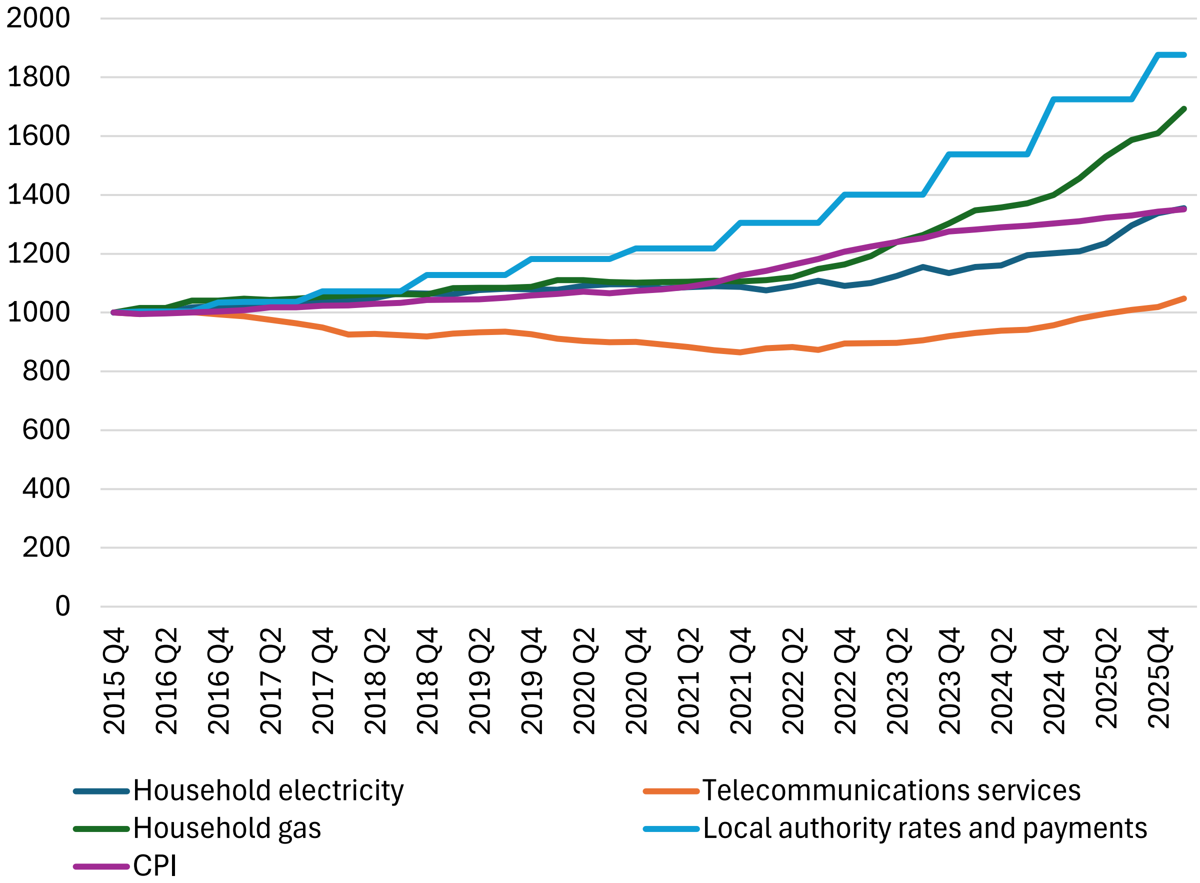
[91] Commission "Fibre fixed line access service deregulation final decision" (19 December 2024), https://www.comcom.govt.nz/regulated-industries/fibre/fibre-deregulation-reviews/.

Figure 3.30 CPI vs selected utilities (Q4 2015 base)

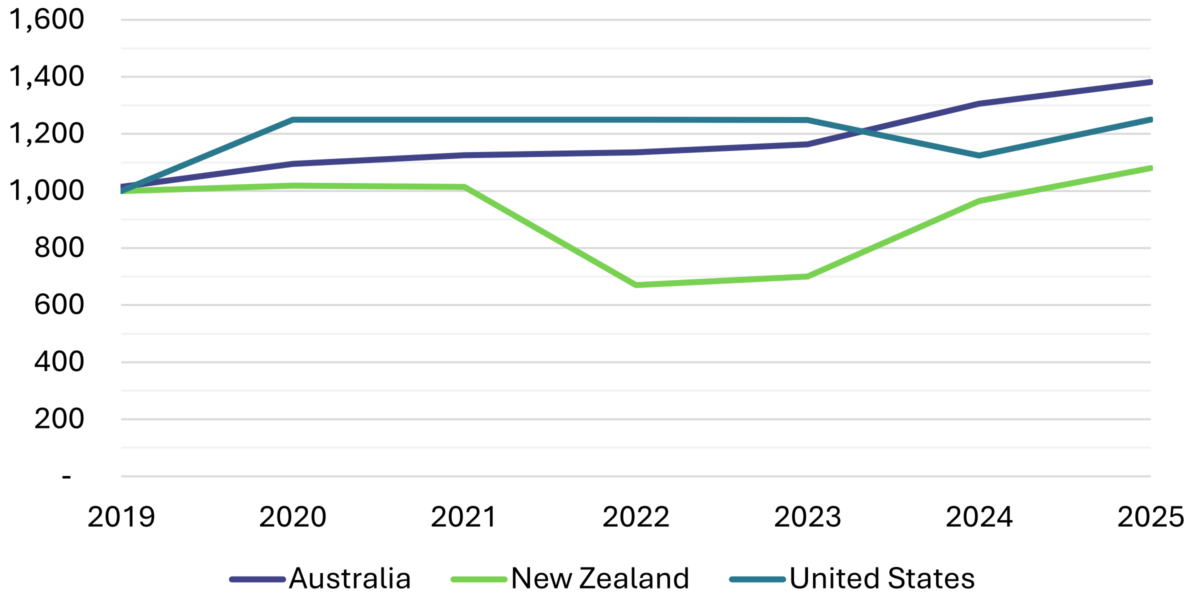


Source: Stats NZ[92]

Figure 3.31 shows fixed-broadband price movements for Australia, New Zealand and the United States, indexed to 2019 using the International Telecommunication Union (**ITU**) fixed-broadband price basket methodology. Rather than a uniform trend, prices followed different paths across countries, reflecting variations in market competition, plan composition and cost pressures. Because the ITU basket tracks advertised retail offers, movements in the index reflect changes in plan mix and pricing approaches, not just changes in underlying costs.

92 See https://infoshare.stats.govt.nz/.

Figure 3.31 Fixed-broadband basket inflation (2019 base year)



Source: *ITU ICT Price Baskets, historical data series. The fixed broadband basket represents the cheapest monthly non-promotional subscription plan offering at least 5GB of data with a minimum download speed of 256kbit/s*[93]

Australia showed a steady increase, accelerating after 2022, consistent with rising network investment and operating costs and a gradual move away from legacy low-priced plans. The United States exhibited relative stability, reflecting strong competition with some price increases, possibly because of higher demand for broadband during and after the pandemic. New Zealand's price decline across 2022 and 2023 was likely driven by intensified retail competition and the proliferation of lower-priced fibre entry plans as fibre uptake matured. Prices then rebounded as broader inflationary pressures and network costs flowed through to advertised plans.

International price comparison

Telecommunications prices in New Zealand increased more moderately than many other consumer services yet remained comparatively high when benchmarked internationally. To get an indication of how New Zealand broadband prices compare to prices overseas, we use OECD data to compare the price of the cheapest benchmark plan available in New Zealand against the cheapest benchmark plan available in other OECD countries. The benchmarking covers four categories that represent the most common urban broadband plans in New Zealand (Figure 3.32 to Figure 3.35).[94]

93 ITU "ICT price baskets", see https://www.itu.int/en/ITU-D/Statistics/Dashboards/Pages/IPB.aspx.

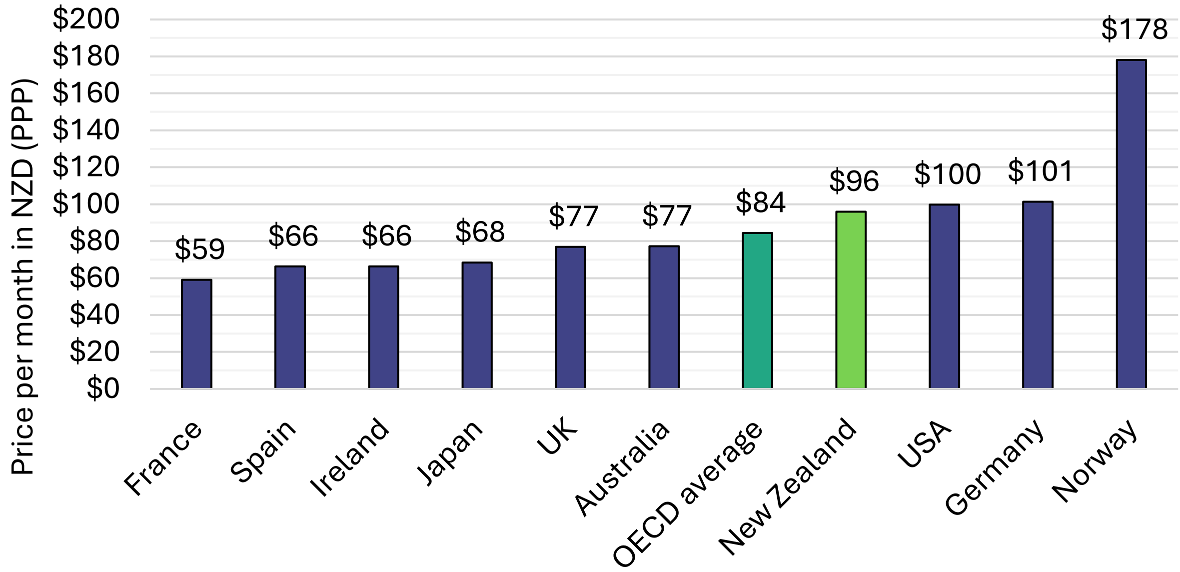
94 The price of the plans used in the benchmarking analysis was adjusted to take into account whether the plan requires a customer to purchase or rent a router. We use purchasing power parity (**PPP**) to make prices consistent across different currencies.

These results should be interpreted with some care. Because the OECD benchmark is driven by the single lowest-priced plan at the point of data collection, outlier plans could have a disproportionate effect on the results and create year-on-year volatility that may not reflect broader pricing trends.

Figure 3.32 Price for Fibre 50 (or equivalent)

Source: OECD Fixed Broadband Price Benchmarking[95]

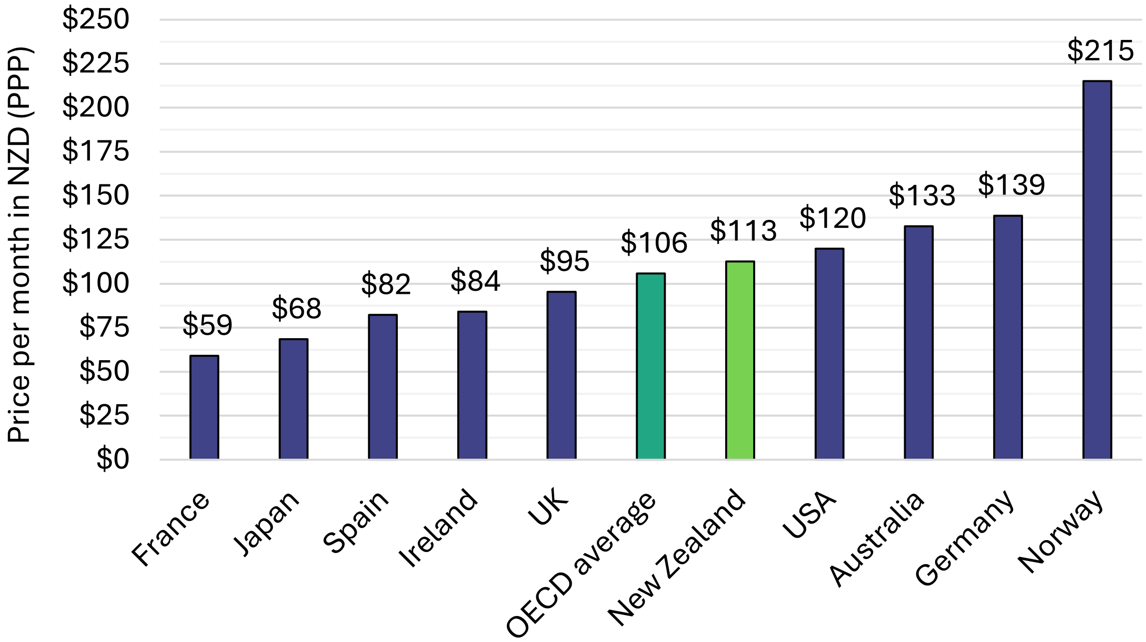
Figure 3.33 Price for Fibre 300 (or equivalent)



Source: OECD Fixed Broadband Price Benchmarking[96]

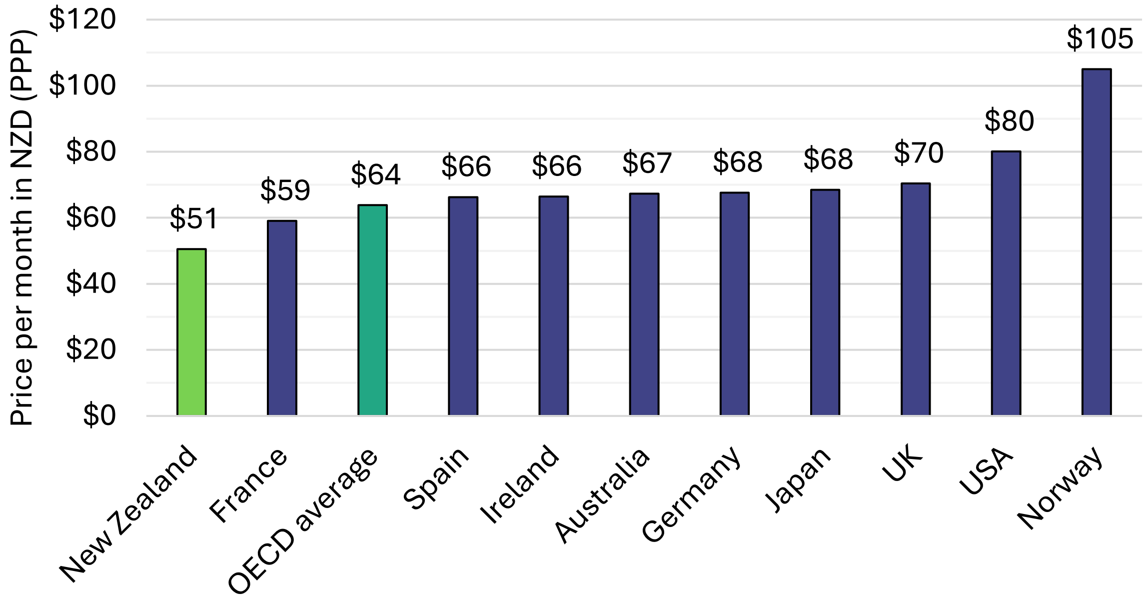
95 Price for unlimited broadband-only fibre service delivering a minimum of 50Mbps.
96 Price for unlimited broadband-only fibre service delivering a minimum of 300Mbps.

Figure 3.34 Price for Fibre Max (or equivalent)



Source: OECD Fixed Broadband Price Benchmarking[97]

Figure 3.35 Price for 4G FWA 300GB (or equivalent)



Source: OECD Fixed Broadband Price Benchmarking[98]

97 Price for unlimited broadband-only fibre service delivering a minimum of 800Mbps.

98 Price for broadband-only service providing at a minimum 300GB of data and 20Mbps.

New Zealand's OECD benchmarking results showed that at June 2025, broadband prices were mixed relative to the OECD average cheapest plan across speed tiers. Fibre 50 pricing was slightly below the OECD average, while prices for higher-speed tiers (Fibre 300 and Fibre Max equivalents) are now above the OECD average.

New Zealand was not among the highest-priced countries but sits in the upper-middle of the distribution for faster fibre tiers, while 4G FWA continued to compare favourably against similar offers overseas. The results indicate New Zealand remained broadly competitive internationally despite generally higher fixed-fibre prices than many larger markets.

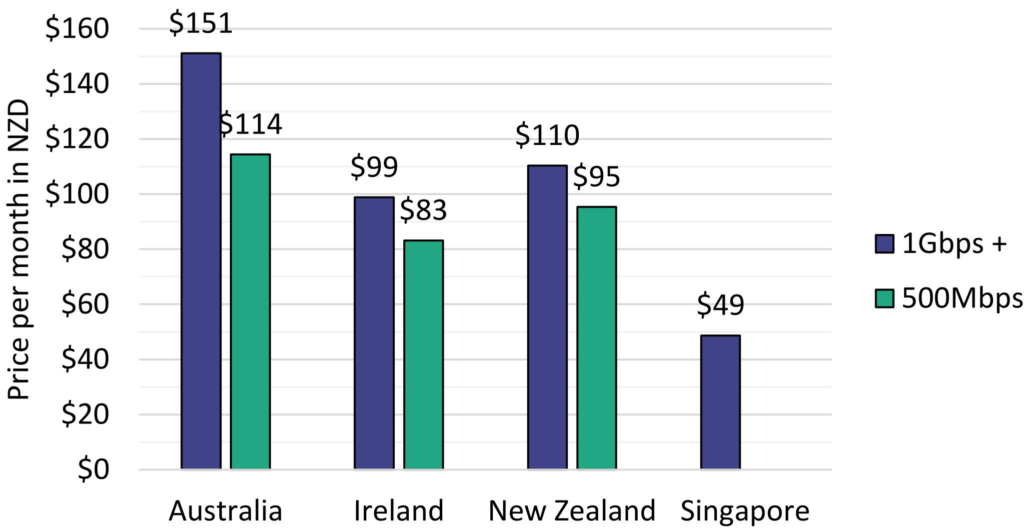
Since last year, the lower speed plans, Fibre 50 and 4G FWA remained at or below the OECD average. However, the Fibre 300 and Fibre Max plans are now priced slightly higher than the OECD average, likely reflecting the lower population and density of New Zealand relative to other OECD countries.

International price comparison—deeper dive

This year's analysis in Figure 3.36 compares the 24-month blended price of broadband plans across New Zealand, Australia, Singapore and Ireland, incorporating introductory discounts and standard pricing over a two-year contract term. As with last year, these countries were selected because they provide a meaningful benchmark:

- Australia for its economic similarity and comparable market structure.
- Ireland for its similar population size and comparable fibre deployment model.
- Singapore for its exceptionally high fibre uptake and extremely competitive gigabit-class market.

Figure 3.36 Broadband plan prices in New Zealand vs comparator countries (NZD) (March 2026)



Source: Largest three retailers' website prices for each market, converted to NZD—websites accessed March 2026

The results show that New Zealand's prices for 500Mbps plans were broadly in line with Australia's once discounts are factored in. Australia's high-speed National Broadband Network tiers and regular six-month introductory offers mean that, on average, Australian consumers receive similar value for money to New Zealanders at equivalent speeds.

Ireland appears inexpensive at first glance because of steep first-year discounts, but the higher prices that apply in the second year materially narrow the difference with New Zealand and Australia. Virgin Media remained an exception with its 24-month fixed-price offers, but most Irish plans increase significantly after the first year.

Singapore continued to stand apart. Consumers there can purchase 3Gbps and 5Gbps plans at blended monthly prices below what New Zealand, Australia or Ireland consumers typically pay for 500Mbps or 1Gbps plans. These offers often include premium Wi-Fi gear or bundled entertainment services at no extra cost. While these speeds exceed what most households need, they highlight the extent of Singapore's competitive retail fibre market, supported by structural factors such as extremely high population density, which enables much lower average network deployment and servicing costs.

Lower price/digital equity urban broadband plans

> Lower-price and digital-equity broadband plans are designed to reduce cost as a barrier to connectivity for households at risk of digital exclusion. In urban fibre areas, these offers are primarily enabled through discounted wholesale fibre pricing that supports lower retail prices.
>
> The main mechanisms currently in market are Fibre Starter, which provides an entry-level fibre option with a retail price cap, and more targeted Digital Inclusion Offers, which support a smaller group of eligible households, often transitioning from earlier government-led connectivity programmes.

This year we again reviewed the availability and uptake of lower price and digital equity broadband offers across urban areas. These products remained an important part of the affordability landscape for households that face barriers to accessing standard broadband services.

Fibre Starter remained available across the Chorus fibre network through standard retail offers, which includes a retail price cap.[99]

While Enable and Tuatahi continued to offer Fibre Starter wholesale arrangements with a maximum retail price cap of $65 per month for 50/10 Mbps services, this level was broadly consistent with normal retail pricing for entry-level fibre. As a result, the cap on its own may not deliver a materially lower-cost option for households facing affordability pressures.

Northpower did not offer a dedicated low-income or digital equity wholesale product, having discontinued its earlier discounted fibre offer in 2024 without replacement. Its wholesale portfolio now focuses on standard, commercially priced services, with no retail price caps or eligibility-based affordability mechanisms. As a result, households in areas where Northpower is the sole fibre provider, including parts of Northland, do not have access to a comparable fibre-based affordability option, highlighting a gap in the availability of equity-focused offers.

[99] In March 2026, Chorus launched Equity Fibre 100, offered through dedicated wholesale arrangements that require participating RSPs to cap retail prices. It is marketed as an affordable entry-level fibre option for households facing financial hardship, providing 100/20Mbps at $30 per month, around $40–$50 cheaper than comparable entry-level fibre plans.

Skinny Jump remained a core affordability initiative for households most at risk of digital exclusion. As of June 2025, the service was used by ~34,000 households, up from approximately 32,000 the prior year.[100] The offer retained its low-friction enrolment model, with no contract, no credit checks, and a prepaid structure. Pricing continued to sit well below standard 4G FWA plans. 35GB on Skinny Jump costs $5 (including modem), compared with $45 for Skinny's 60GB standard 4G FWA plan. Eligibility remained targeted at groups identified in the Government's Digital Inclusion Blueprint, including families with children, jobseekers, seniors, people with disabilities, refugees and migrants, and those in social housing.

In recent years, the availability of lower-price and digital-equity fibre offers has declined. Some LFCs moved away from targeted low-income wholesale products and did not introduce replacement offers, with their current portfolios broadly focused on standard and commercially-priced plans. As a result, access to fibre-based affordability options became more limited, increasing reliance on a smaller set of lower-cost broadband products for households facing affordability barriers.

We also recognise that the effectiveness of lower-price and digital-equity broadband offers depends not only on their availability, but on the channels through which eligible households are made aware of and supported to access them. Community-led delivery models and trusted intermediaries play an important role in connecting households to affordable plans.

Urban retail summary

New Zealand's retail telecommunications market saw a decline in the share held by the three largest retailers, with smaller providers gaining ground, indicating some increase in competitive pressure. While urban markets remained more concentrated than rural ones, competition is increasingly being shaped by factors such as bundled offerings, pricing strategies, and niche propositions from smaller providers, rather than large shifts among the major players. Fibre remained the leading technology in urban areas, accounting for about 84% of connections, while copper continued to fall sharply as its withdrawal progresses.

While fibre remained the market's centre of gravity, FWA remained an important alternative for households seeking lower-cost broadband options and continued to play a role in price sensitive migration. Over the longer term, particularly across the past ten years, telecommunications prices remained broadly stable relative to other household costs once quality adjustments are taken into account.

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[100] Spark "Spark Annual Report FY25" (20 August 2025) page 37, https://investors.sparknz.co.nz/FormBuilder/_Resource/_module/gXbeer80tkeL4nEaF-kwFA/doc/FY25_Annual_Report.pdf.

Retail broadband pricing outcomes in 2025 continued to reflect a market in which competitive forces, wholesale cost structures and shifting consumer demand each play a significant role. The three MNOs maintained their dual role as the largest fibre retailers and owners of nationwide 4G/5G FWA networks, and this continued to shape pricing across technologies. Alongside these players is a long tail of smaller RSPs, including electricity retailers and specialist brands, who remained active contributors to discounting at lower price points.

Consumer | Kaiwhakapeto

Consumers of telecommunications services are presented with a wide range of retail offers that are products of the underlying market structure—the network infrastructure, its capabilities, ownership, regulatory settings and competitive conditions. Whether consumers understand and act on these offers is a product of the information available to them, and their innate preferences and behaviours including usage and their overall satisfaction with the connectivity provided.

This section examines urban consumer experience with broadband services. After looking at relative affordability, we analyse consumer satisfaction, including a deep dive into fibre services. We then compare satisfaction levels between different technologies and different size providers before highlighting key switching behaviour and what that may mean for the future.

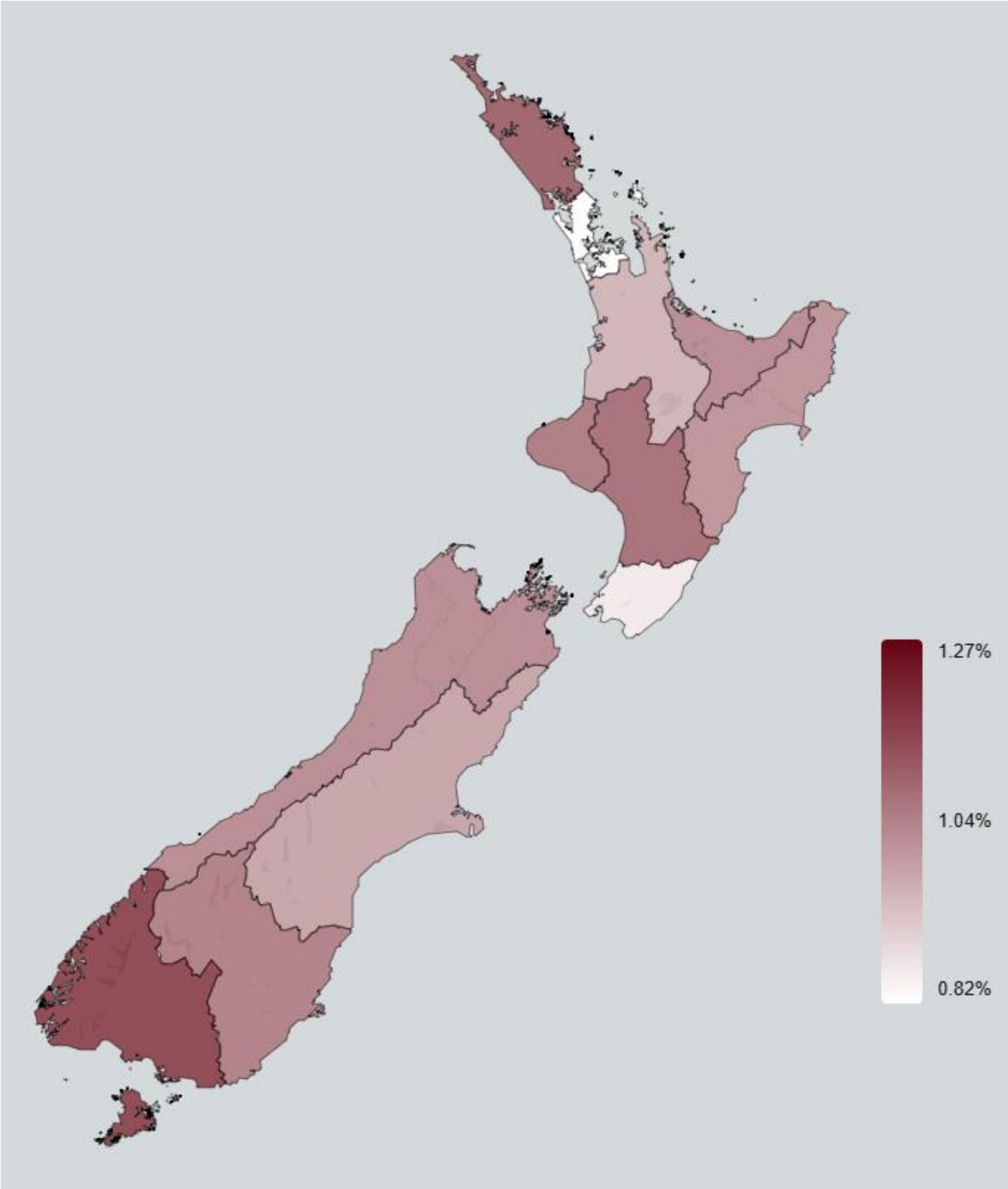
Affordability

Affordability indicators show how telecommunications costs compare with income and other spending needs.

Figure 3.37 shows how affordable a standard urban residential broadband connection is across different regions, measured as the percentage of average household income required to purchase it. Lighter-shaded areas indicate regions where households need to spend a smaller share of their income on broadband, meaning it is relatively more affordable. Darker-shaded areas show where broadband costs represent a higher proportion of income, indicating lower affordability.

To produce this “heat map”, we compared the price of a standard urban broadband connection with average household income in each region. The broadband price was expressed as a percentage of average household income for each region, allowing for a consistent comparison of relative affordability across the country.

Figure 3.37 Percentage of average household income required to purchase broadband by region



Source: Commission analysis of Stats NZ data[101]

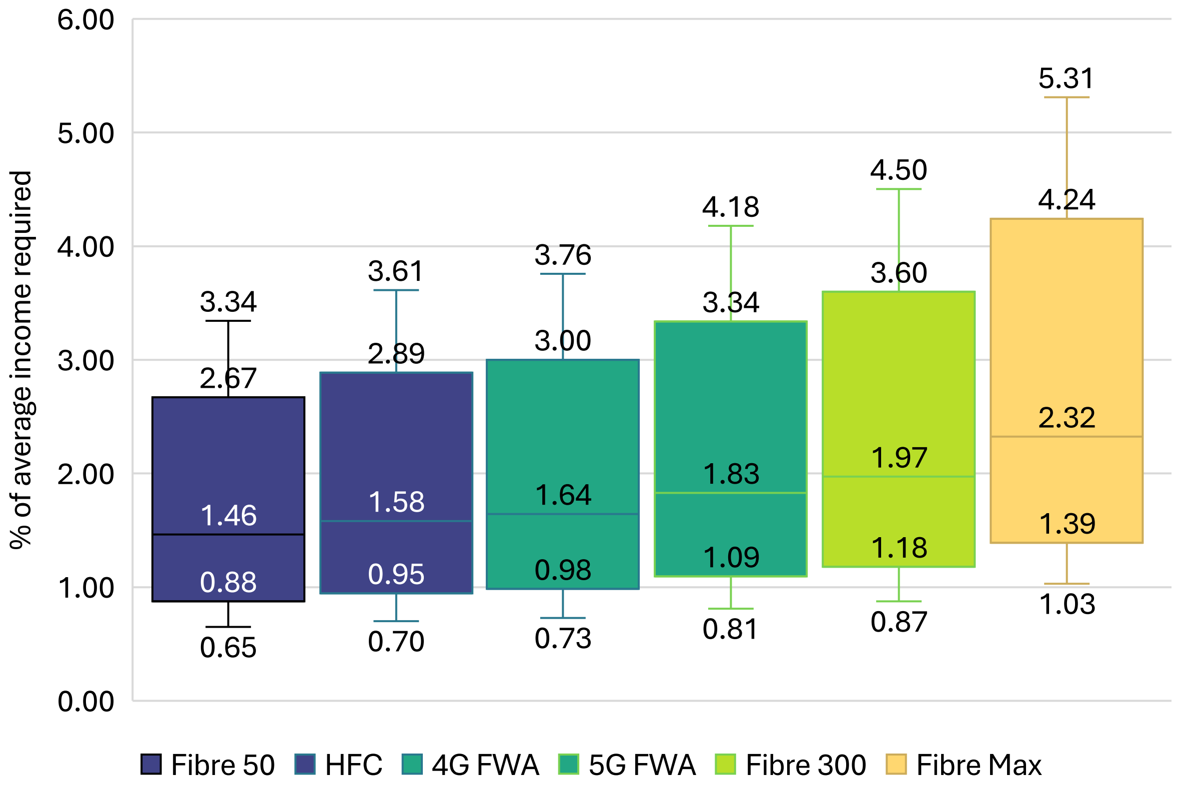
101 Note: Results are not directly comparable with last year, as the methodology was refined. This year's analysis uses connection-level data and presents rural and urban areas separately. These estimates are based on mean prices rather than median prices, so they may be influenced by outliers (eg, very high-priced connections).

At a national level, broadband affordability varies meaningfully by region, with differences driven less by urban plan prices (which were broadly similar nationwide) and more by income. The share of median disposable income needed to buy a typical plan ranges from about 0.82% in Auckland and 0.87% in Wellington to 1.20% in Northland and 1.27% in Southland.

Regions with lower median disposable incomes (eg, Southland, Northland, Manawatū-Whanganui) face a higher income burden for broadband services, while higher-income metropolitan areas such as Auckland and Wellington typically spend less than 1% of household income on broadband.

We also looked at the percentage of income required for urban broadband technologies by income quintile (Figure 3.38). This shows that higher-speed products, particularly Fibre Max, place a much greater burden on lower-income households, requiring 5.3% of average income in the lowest quintile. This suggests that while higher-speed services may suit some household needs, they are not equally affordable across income groups and may be out of reach for lower-income households.

Figure 3.38 Relative affordability of urban broadband by income quintiles



Source: Commission analysis of Stats NZ and Commission data

Satisfaction

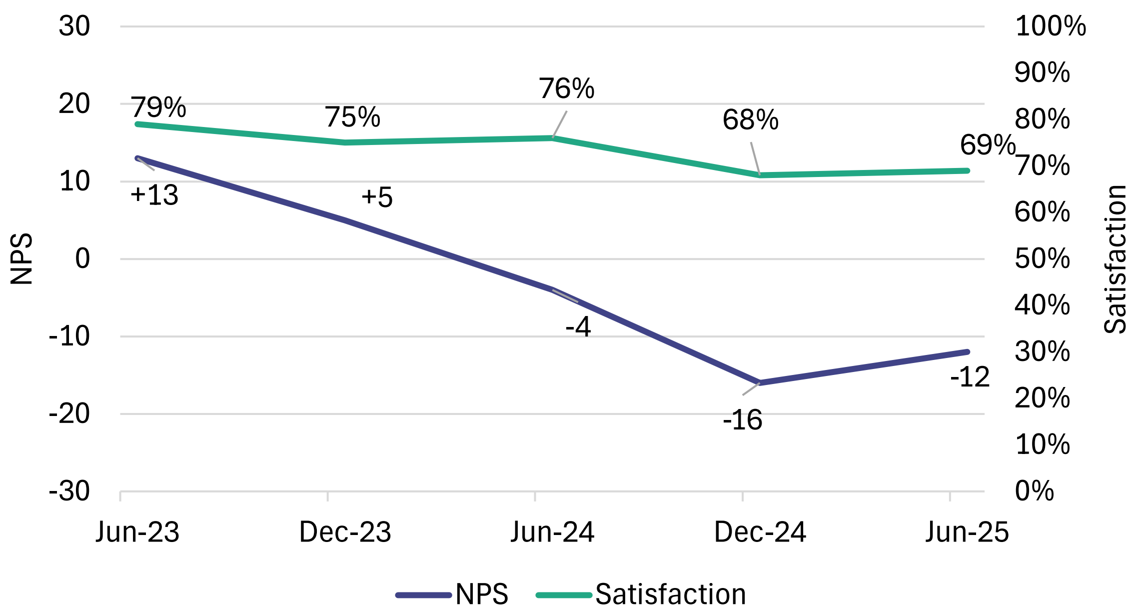
Net Promoter Score (**NPS**) is a measure of customer satisfaction based on how likely customers are to recommend a provider. It is calculated by subtracting the share of detractors (scores of 0–6) from the share of promoters (9–10), with higher scores indicating that customers are more likely to recommend the provider.

Satisfaction is measured using a five-point scale, and we measure the satisfaction score using the percentage of respondents who returned a rating within the top two boxes (4–5 on the 5 point scale). After a review of literature and comparable scores across industries in New Zealand, we consider a favourable satisfaction score to be 80% or above.

Nationwide satisfaction with telecommunications experience

Broadband sentiment continued to soften nationwide over the past two years, with both satisfaction and NPS trending downward before stabilising in early 2025 (Figure 3.39).

Figure 3.39 Nationwide broadband NPS and satisfaction



Source: Analysis of Commission Telecommunications Consumer Satisfaction Monitoring Reports[102]

102 Commission "Telecommunication Consumer Satisfaction Monitoring Reports", see https://www.comcom.govt.nz/about-us/research/telecommunications-research/.

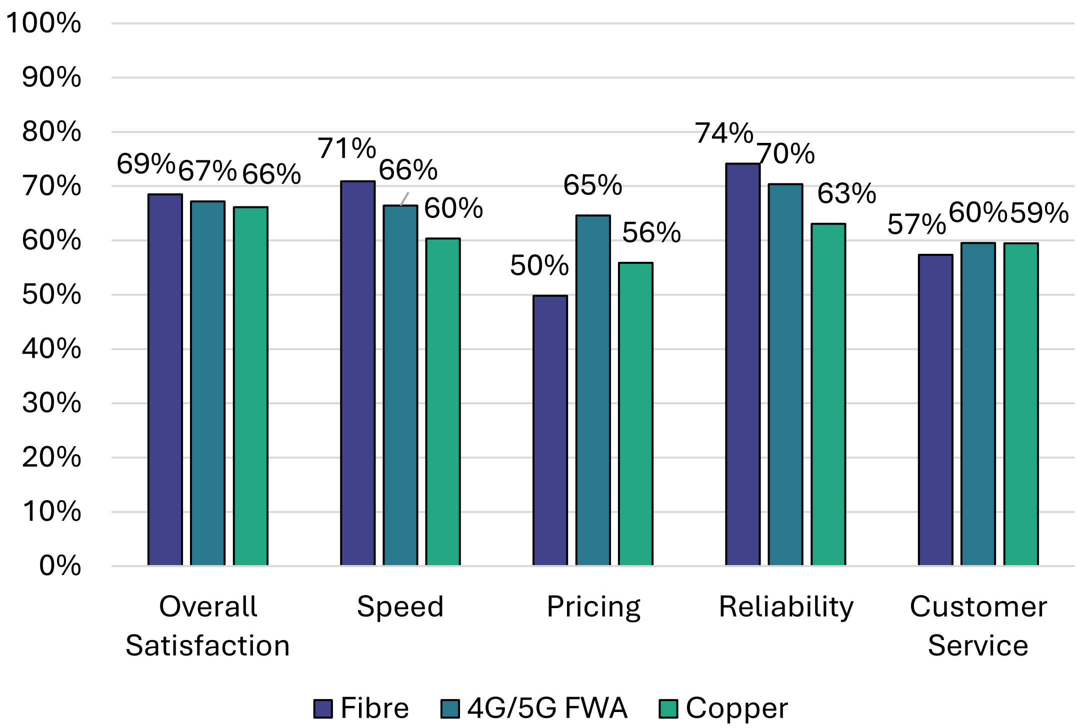
Nationwide satisfaction fell from the mid-70s in late 2023 to 69% in June 2025, remaining well below 80%, which is the Commission's benchmark for favourable performance. Broadband NPS shows a similar pattern, falling from positive levels in 2023 to -16 in late 2024, before recovering slightly to -12 in the first half of 2025. While the steep decline slowed and even recovered a few points, it remains well below zero, indicating that ongoing concerns about reliability, speed and pricing continued to hold back overall consumer experience.

Urban broadband satisfaction

In 2025, urban broadband satisfaction remained below the favourable performance benchmark of 80%, with an overall satisfaction level of 68%. Despite the strong uptake of fibre services in urban areas, many consumers continued to report gaps in their experiences with speed, reliability and pricing. More than half of broadband users reported having experienced a broadband issue in the previous six months, most commonly concerning service reliability and service speed, reinforcing that day-to-day experience still lags behind the technologies' potential.

Figure 3.40 shows that regardless of whether consumers use fibre, copper or 4G/5G FWA, 'price' was the weakest-rated dimension overall.

Figure 3.40 Urban consumer satisfaction varies across broadband technologies



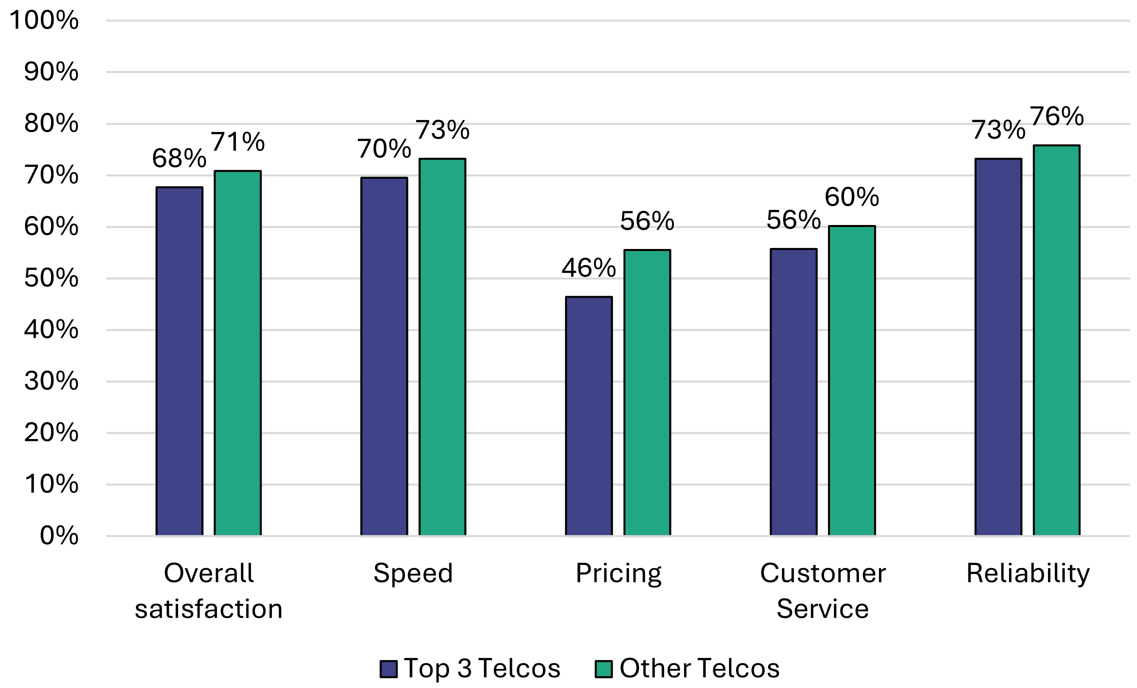
Source: Commission data (Jan-June 2025)

Customer service also scores relatively poorly across all platforms, indicating that concerns extend beyond affordability to include service quality and issue resolution. These results suggest that dissatisfaction is driven mainly by common market-wide issues, while still reflecting some variation across technologies and providers in both extent and underlying causes.

Some of the reported dissatisfaction with fibre services may be influenced by factors outside the fibre network, including in-home Wi-Fi setup, router performance, or device limitations, which affect the experience consumers actually receive.

Figure 3.41 highlights that urban fibre broadband customers report noticeably higher satisfaction with smaller RSPs compared with the three largest retailers.

Figure 3.41 Satisfaction levels of urban consumers with fibre broadband split by RSP size



Source: Commission data (Jan-Jun 2025)

While Spark, One NZ, and 2degrees account for most urban fibre connections, their satisfaction scores lag behind those of smaller operators, many of whom may deliver more personalised service, simpler plan structures, or more competitive pricing. Within urban areas, the service experience consumers receive is shaped less by network infrastructure and more by provider practices such as support quality, responsiveness, value for money, and clarity of billing or plan information.

The consistently stronger performance of smaller RSPs, and the increasing market share of these RSPs, highlights that even in a relatively mature fibre market, consumers report higher satisfaction with providers that offer a more streamlined, reliable and customer-centric experience.

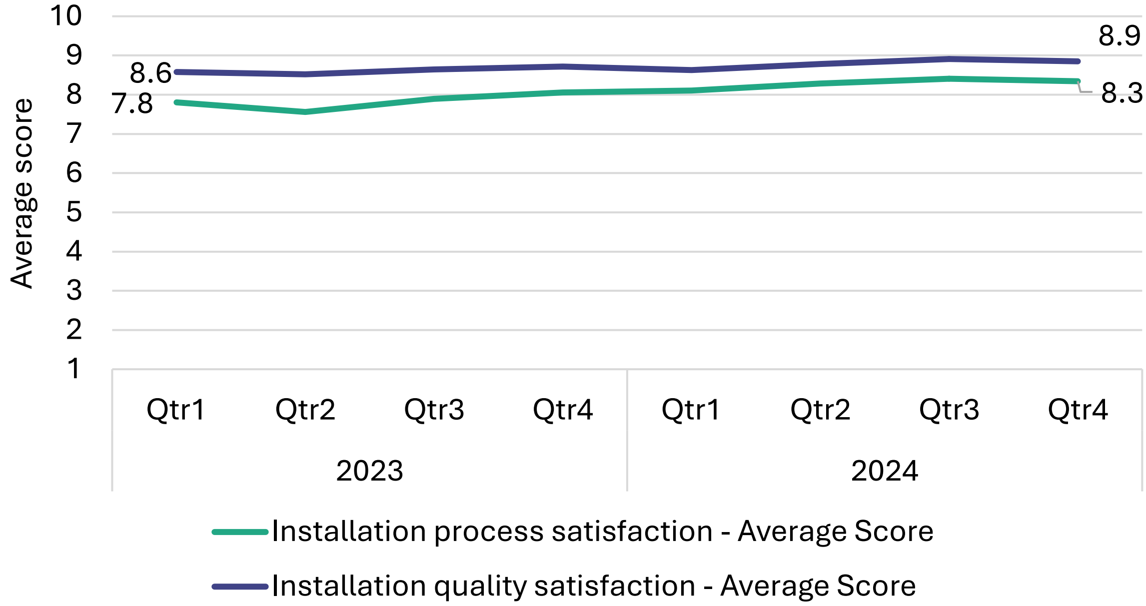
Consumer satisfaction with fibre installation

This is the first time we are including this analysis in the AMR as we take an initial deep dive into this information.

The results in this section come from end user satisfaction surveys reported by the four LFCs as part of fibre ID requirements for the period 1 January 2023 to 31 December 2024.[103] Our analysis includes approximately 22,000 responses from end users in 2023 and 17,000 in 2024.

We also include information where providers missed booked appointments over the same two-year period, reported directly by the LFCs as part of their fibre ID requirements.

Figure 3.42 Satisfaction levels of consumers with fibre installation process and installation quality



Source: Commission fibre ID data[104]

[103] Due to differences in data provision from LFCs, 31 December 2024 is the latest date for which we have consistent data.

[104] End users rate their experience with installation process and quality from 1—10, where 1 is "strongly dissatisfied" and 10 is "strongly satisfied".

Overall, as shown in Figure 3.42, customer satisfaction with fibre installation improved over the two years, following the operational pressures experienced in early 2023, such as post-Covid labour shortages. Both installation quality and the installation process were rated more positively by consumers in 2024, complaints declined, and providers missed fewer appointments. Improvements by Chorus and Tuatahi contributed to the overall reduction in missed appointment rates. However, rates remained elevated, highlighting the importance of continued progress to sustain these improvements.

Both installation metrics improved steadily (on average) across 2023–2024 and scored highly at 8.3 for installation process and 8.9 for installation quality by the end of 2024.

Quality satisfaction rated consistently higher than process satisfaction, indicating that consumers were strongly satisfied with the end result but less so with the journey to get there. However, the process score showed meaningful gains, suggesting operational improvements and normalisation after an early 2023 decline and subsequent recovery.

Most providers recorded a drop in customer satisfaction scores around Q2 2023. This may be explained by ongoing effects of field resource constraints post-Covid and disruption due to extreme weather events like Cyclone Gabrielle. These factors contributed to increases in installation backlogs, missed or rescheduled appointments and longer wait times.[105] We provide further analysis of missed appointments in Figure 3.44.

Telecommunications Dispute Resolution (**TDR**) data shows a sharp decline in installation complaints—nearly 70% in the two years to June 2025.[106] This trend likely reflects decreasing installation volumes and broadly aligns with the improvements we see in customer satisfaction scores, although the measures are not directly comparable.[107]

Chorus, Enable and Tuatahi all improved their installation satisfaction scores from 2023 to 2024 (Figure 3.43). Northpower, the smallest provider, was the clear leader each year, with an average score of 9.1. However, the gap between its performance and the other providers was narrowing.

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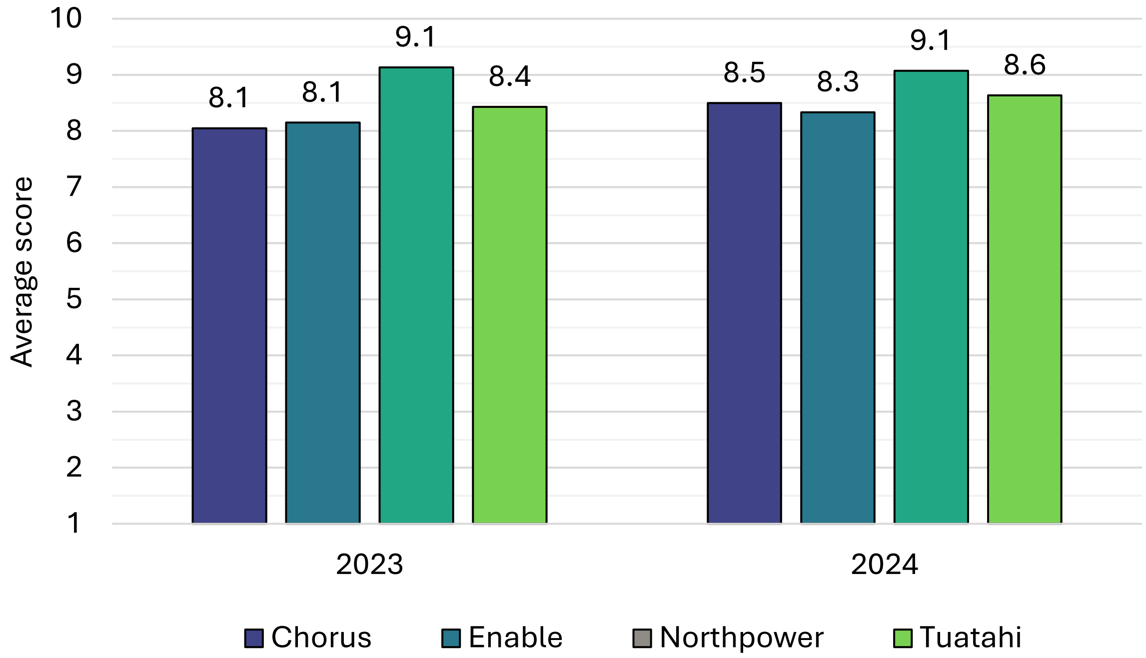
105 For example, Chorus and Enable noted issues with compliance with TCF's Fibre Installation Code due to operational disruption due to labour shortage, service partner transitions and extreme weather events. TCF "TCF Code Compliance Framework Half Year Report 2023" page 3, available at: https://www.tcf.org.nz/wp-content/uploads/Compliance-Report_May-2023.pdf.

106 TDR "Annual Report 2025" (28 October 2025) page 10, https://www.tdr.org.nz/sites/default/files/2025-10/TDR%202025%20Annual%20Report.pdf.

107 TDR complaint data relates to end-users installation journey end-to-end so may concern network operators or RSPs. Complaints also include all telecommunication technologies, not just fibre.

Figure 3.43 Satisfaction levels of consumers with fibre installation by provider

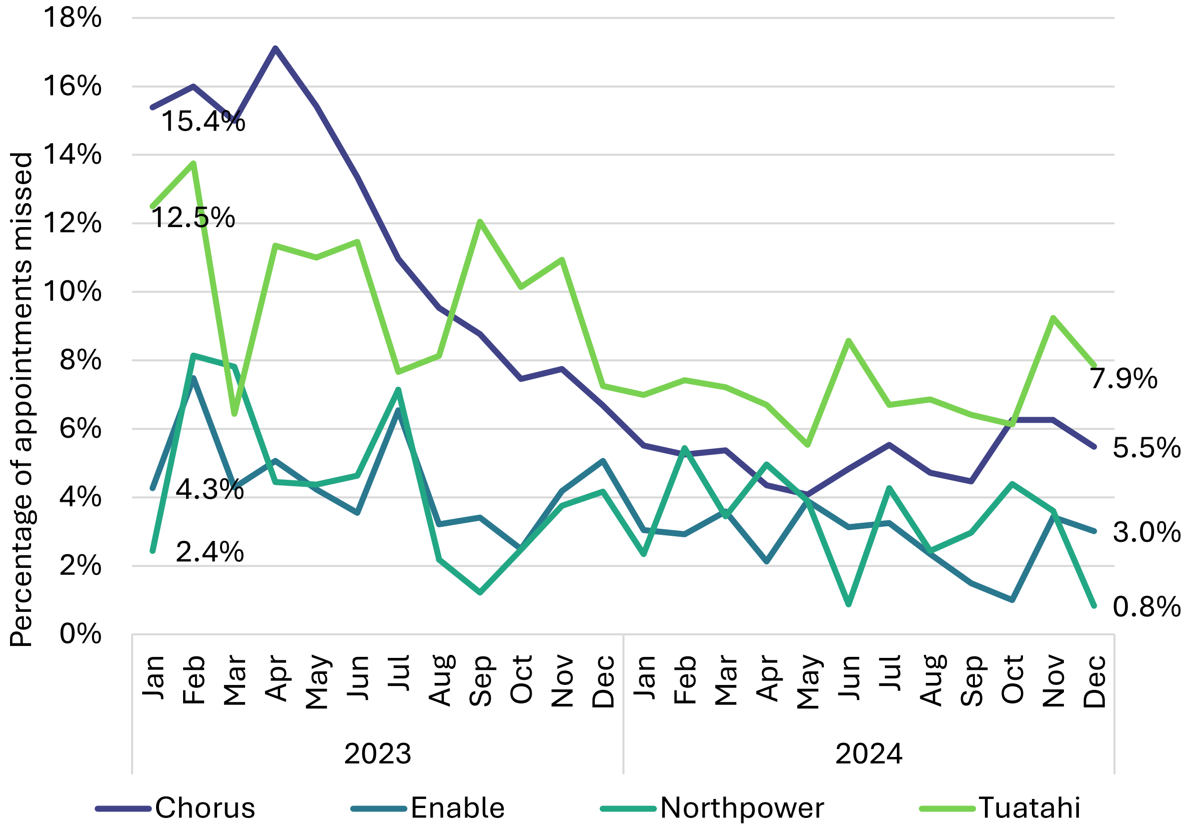


Source: Commission fibre ID data[108]

The early-mid-2023 peak in missed appointments in Figure 3.44 aligns with the challenging industry context at the time. Overall, the number of missed appointments dropped 68% year on year from over 20,000 in 2023 to 6,500 in 2024, indicating that industry operations have largely stabilised.

108 The score for "fibre installation" satisfaction is a combined weighted average score for installation process satisfaction and installation quality satisfaction.

Figure 3.44 Percentage of installation appointments missed by providers



Source: Commission fibre ID data[109]

Missed appointment rates reduced significantly over the past two years. Overall, the proportion of appointments missed fell from 14.1% at the start of 2023 to 5.5% by the end of 2024. This indicates that improvements were not solely due to reduced appointment volumes—providers were also successfully completing a higher share of scheduled jobs.

Chorus, which accounted for 77% of all missed appointments in 2024, recorded the largest reduction over this time (-9.9 percentage points). Tuatahi, Enable and Northpower also improved, narrowing the performance gap between providers and reducing the impact on customers.

109 "Missed appointments" is defined as the number of scheduled provisioning appointments missed by an installer, including rescheduled provisioning appointments. The percentage of missed appointments is calculated from the number of missed appointments divided by the total number of appointments by month. Commission "Fibre Information Disclosure (2025 Project) Amendment Determination 2025" (26 November 2025) page 103, see https://www.comcom.govt.nz/assets/Documents/amendments-to-information-disclosure-requirements-2025/Fibre-ID-2025-Project-Amendment-Determination-2025-26-November-2025.pdf.

Missed appointment rates were still high

No penalties currently apply for missed appointments in New Zealand. In contrast, European Union law requires member states to ensure consumers receive automatic or easily accessible compensation for missed or delayed appointments.[110] The United Kingdom operates a voluntary automatic compensation scheme for residential customers,[111] while Ireland imposed mandatory compensation requirements in December 2025.[112]

Overseas jurisdictions generally do not set limits or require public reporting on missed appointments, making it difficult to identify a reasonable benchmark. However, the presence of compensation schemes overseas indicates an expectation that delayed or missed appointments should be uncommon and strongly discouraged.

While we saw meaningful improvement, we consider the 2024 average missed appointment rates—1 in 19 appointments missed for Chorus and 1 in 14 for Tuatahi—remained higher than acceptable. This is because missed appointments cause harm to consumers, including inconvenience, financial loss and delayed access to essential services.

In 2025 part-year disclosures for Enable, Northpower and Tuatahi, missed appointment volumes decreased (compared to their 2024 averages) but the percentage of missed appointments to total appointments increased.[113]

Switching providers and changing technologies

Switching broadband provider

The level of provider switching in a market provides an indication of the ability of consumers to act and take advantage of competing offers. It may also indicate the presence of consumer inertia, with switching less likely as consumers prefer to remain with existing and familiar providers.

110 EUR-Lex "Electronic Communications Code" (11 December 2018) Article 106(8), available at: https://eur-lex.europa.eu/eli/dir/2018/1972/2018-12-17/eng.

111 Ofcom "Automatic compensation: What you need to know " (12 March 2024), available at: https://www.ofcom.org.uk/phones-and-broadband/service-quality/automatic-compensation-need-know.

112 ComReg "Compensation scheme for Missed and Delayed Service and Installation Appointments" (9 December 2025), https://www.comreg.ie/compensation-scheme-for-missed-and-delayed-service-and-installation-appointments/.

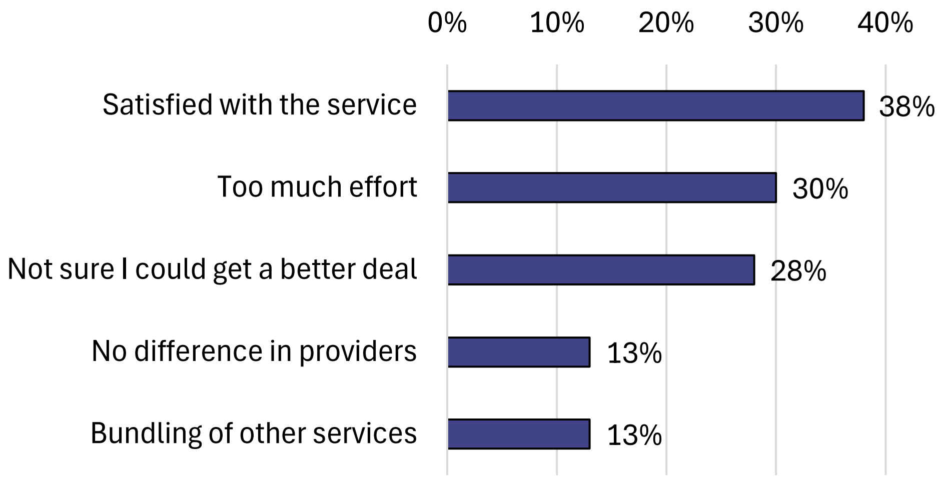
113 Commission "Fibre Performance Visualisations", https://www.comcom.govt.nz/regulated-industries/fibre/regulated-fibre-provider-performance-and-data/fibre-performance-visualisations/.

There is no fixed proportion of the market that should be expected to switch. However, low switching is more concerning where it coincides with weak consumer satisfaction, as this may indicate barriers to switching or limited competitive pressure. Low levels of switching are less of a concern if they are satisfied with their current service or where providers are competing effectively to retain them.

In the year to June 2025, 12% of urban broadband users changed retailers, up from 11% the previous year. A larger share (15%) changed plans with the same retailers, compared with 11% in the prior year. This indicates that while urban consumers may be open to adjusting their services, a smaller proportion moved between providers. This may reflect a range of factors, including switching frictions, uncertainty about differences between providers, or limited perceived benefits from switching. These dynamics can reduce competitive pressure in the retail broadband market and may contribute to ongoing concerns about pricing and value.

Urban consumers are also finding it difficult to compare plans and providers more generally. The range of technologies, discounts, contract terms and speed tiers creates complexity, and inconsistencies in how plan information is presented across providers contribute to uncertainty. According to the Commission's 2025 findings, a significant share of consumers (28%) did not switch because they were unsure whether they could get a better deal, while 13% believed providers were essentially indistinguishable in terms of the value they offered (Figure 3.45).

Figure 3.45 Reasons why consumers did not switch broadband providers

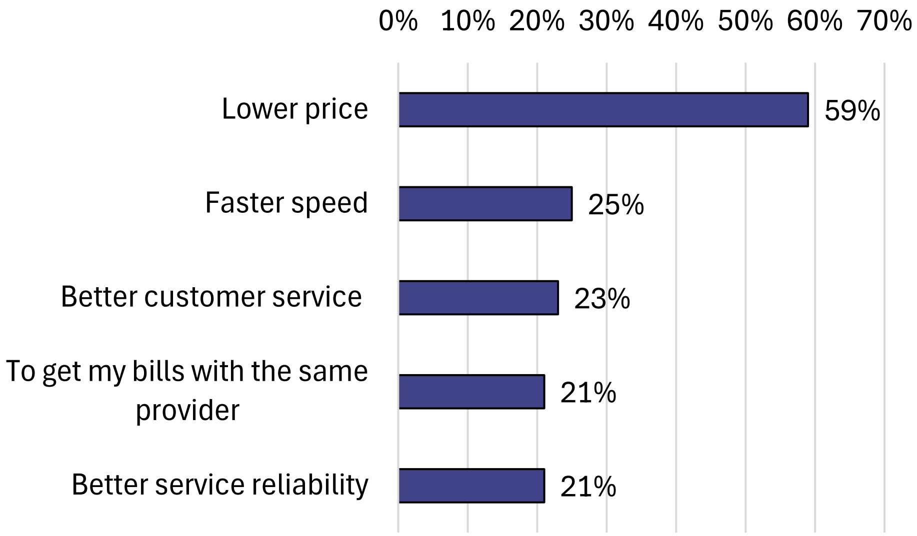


Source: Commission Telecommunications Consumer Satisfaction Monitoring data—January 2025–June 2025[114]

[114] Commission "NZ Telecommunications Customer Satisfaction Tracking – 6 monthly report January 2025–June 2025 (June 2025) page 32, see https://www.comcom.govt.nz/assets/Uploads/Telecommunications-Consumer-Satisfaction-Monitoring-Report-JanuaryJune-2025.pdf.

Many also felt overwhelmed by the perceived effort required to assess options, with a notable portion reporting that switching appeared too time-consuming or risky. These behavioural factors amplify structural barriers to competition, limiting consumer movement even in markets where better alternatives are available.

Figure 3.46 Reasons for switching to a new provider



Source: Commission Telecommunications Consumer Satisfaction Monitoring data—January 2025–June 2025[115]

For those who did switch, price remained the primary switching trigger. As Figure 3.46 highlights, around 59% of households cite a lower price as the main reason for switching to a new provider, well ahead of faster speeds (25%) and better customer service (23%). This indicates that price differences are the most prominent driver of switching decisions, even though quality and service continue to shape overall satisfaction.

The Telecommunications Consumer Satisfaction Monitoring Report indicates that 27% of broadband consumers who switched were unsatisfied with the switching process.[116] This was up from 16% in the previous year, driven largely by significantly fewer consumers feeling satisfied they were adequately informed during the switching process. Other common issues include poor instructions and unsatisfactory instructions on setting up or using provided equipment.

115 Commission "NZ Telecommunications Customer Satisfaction Tracking – 6 monthly report January 2025–June 2025 (June 2025) page 34, see https://www.comcom.govt.nz/assets/Uploads/Telecommunications-Consumer-Satisfaction-Monitoring-Report-JanuaryJune-2025.pdf.

116 Commission "NZ Telecommunications Customer Satisfaction Tracking – 6 monthly report July 2025–December 2025" (December 2025) page 24 (showing historic periods data), https://www.comcom.govt.nz/assets/Uploads/Telecommunications-Consumer-Satisfaction-Monitoring-Report-July-to-December-2025.pdf.

Concerns about double billing during the transition between providers, along with confusion around notice periods, also remain key contributing factors to consumer dissatisfaction with the switching process. This reinforces the importance of clear communication and coordination between providers to minimise confusion and unexpected outcomes, particularly when consumers are switching.

The Commission is working with industry on improvements that can be made to the switching process for consumers.[117]

Changing fibre plans

Households often stay on the same technology but change to different plans (possibly with a different provider) for a number of reasons including price, changing needs (ie, higher speeds or data allowance) or satisfaction. Data on consumers who stay on the same technology but change plans helps us identify some key drivers of consumer decision making.

In the year to 30 June 2025, just over 150,000 fibre households changed speed tiers, with both upgrades and downgrades occurring across the market (Table 3.13). While upgrades to higher-speed plans such as Fibre Max and Fibre 300 remained common, we saw more households downgrade their fibre plan during the year (53% vs 47% upgrading). The majority of changes, 89%, were only up or down one speed tier (eg, Fibre 300 to Fibre 50 or Fibre Max to Hyperfibre).

Table 3.13 Consumers changing fibre plans

		Moved to				
		Fibre 50	Fibre 300	Fibre Max	Hyperfibre	**Total**
Moved from	Fibre 50	-	15,710	5,874	57	**21,849**
	Fibre 300	33,462	-	48,400	712	**82,574**
	Fibre Max	9,197	37,312	-	1533	**48,042**
	Hyperfibre	54	191	300	-	**545**
	Total	**42,713**	**53,412**	**54,574**	**2302**	**153,010**

Source: Commission data

117 Commission "Improving Retail Service Quality: Switching" (20 March 2025), https://www.comcom.govt.nz/regulated-industries/telecommunications/projects/retail-service-quality.

The volume of households downgrading suggests that some consumers were actively reassessing their broadband needs, likely in response to affordability pressures or a realisation that higher speeds deliver limited additional benefit for their usage. This suggests that changing plans can help households lower their broadband costs while staying on fibre, highlighting the value of clear information to support plan right-sizing.

While this data would include addresses where the owner changed and the new occupants brought a different fibre plan with them, our view is that this will be a small share of the figures.

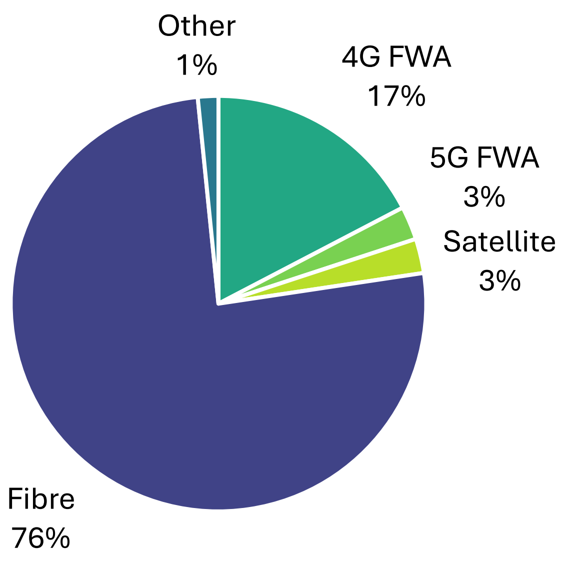
Changing technologies

Households change broadband technologies for a mix of value, performance and availability reasons. Many were motivated by a better price or higher speeds, while others responded to reliability and service experience. The specific upgrade path typically reflects what is available at each address.

For example, where fibre is rolled out, households leaving copper most often move to fibre, whereas in areas with limited fixed infrastructure, they were more likely to shift to 4G/5G FWA or satellite. Likewise, satellite tends to attract customers from legacy technologies (especially copper) or from FWA solutions that no longer meet coverage or performance needs.

Among households leaving copper, over three quarters moved to fibre, reflecting the ongoing migration to higher-performance fixed networks (Figure 3.47).

Figure 3.47 Technologies urban households changed to when coming off copper

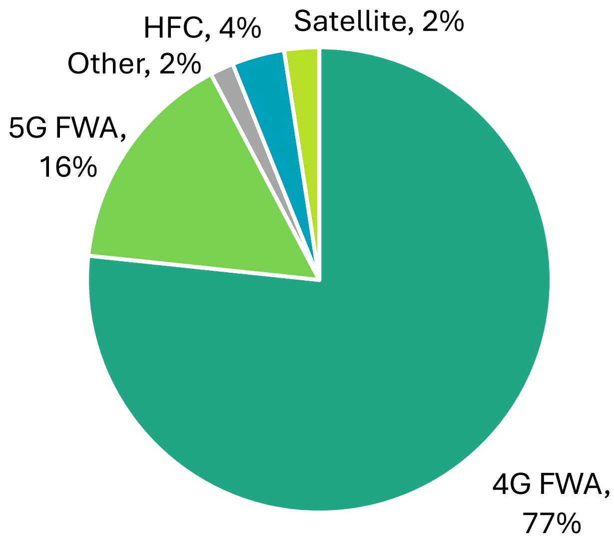


Source: Commission data

The remainder was mainly split between 4G/5G FWA (20%) and satellite (3%). This points to an availability upgrade path; fibre where available, and modern FWA or satellite where fixed deployment or geography makes sense, with the shift toward FWA and satellite indicating that replacement pathways are not solely one-directional, even in urban areas.

Figure 3.48 highlights that nearly four in five of those who move off fibre are changing to 4G FWA.

Figure 3.48 Technologies consumers changed to when coming off fibre

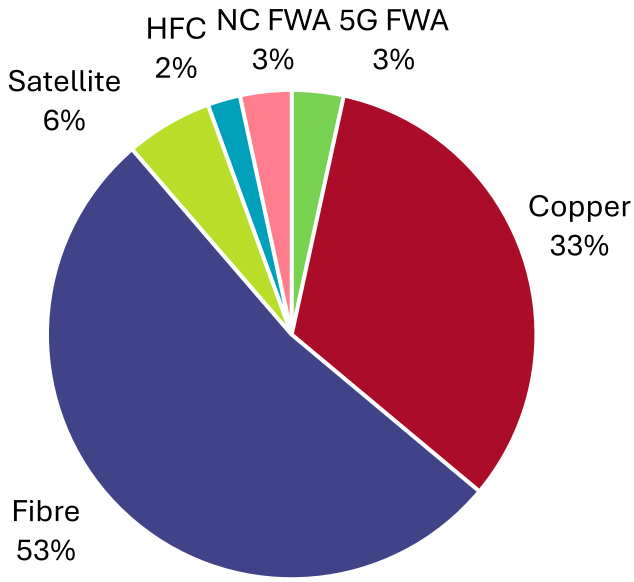


Source: Commission data

The prominence of FWA alternatives is consistent with price sensitivity and a preference for lower-cost or simpler offerings, even where performance may be more variable than fibre. For some households, especially those with lighter usage, FWA broadband can be a more affordable or flexible option, although factors such as installation ease, contract flexibility and living arrangements may also influence these choices.

This heavy proportion changing from fibre is reiterated in Figure 3.49 which shows over half of those urban consumers who changed to 4G FWA during the year, came from fibre.

Figure 3.49 Technologies households came off when changing to 4G FWA



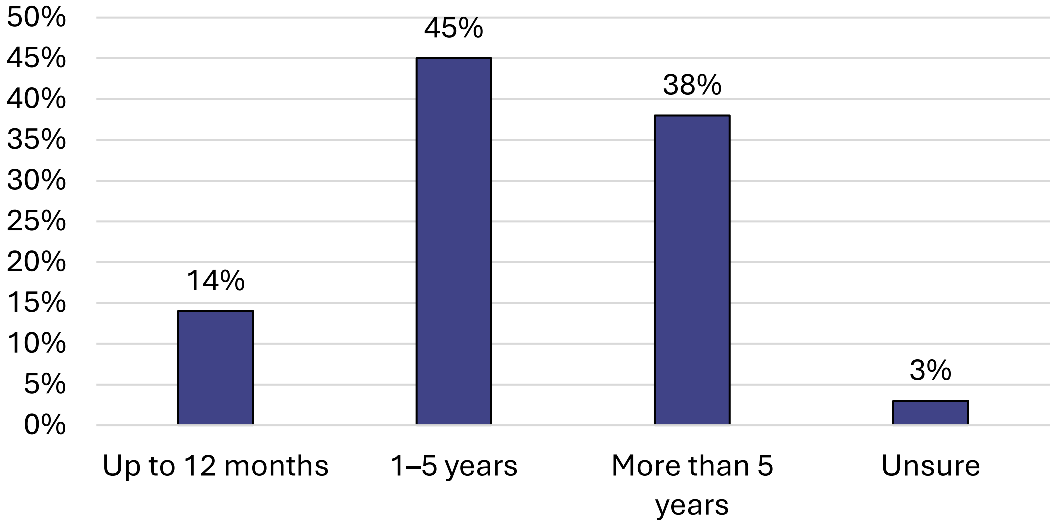
Source: Commission data

Smaller flows from satellite and other technologies likely reflect location-specific constraints, such as limited fibre availability, rather than active preference, highlighting ongoing trade-offs between affordability, performance, and access in different parts of the market.

Tenure

Figure 3.50 illustrates the length of time urban broadband consumers have been with their current provider.

Figure 3.50 Time spent with current broadband provider



Source: Commission Telecommunications Consumer Satisfaction Monitoring Report—January to June 2025[118]

The results show that 38% of broadband consumers surveyed have been with their current provider for more than five years. This was a decrease from last year's 43%.

Our data shows that consumers over the age of 55 were the least likely age group to switch providers or change plans.[119] We expect some people in this age group prefer a trusted provider rather than the lowest cost and others may be unsure or unwilling to go through the switching process.

Household broadband modems

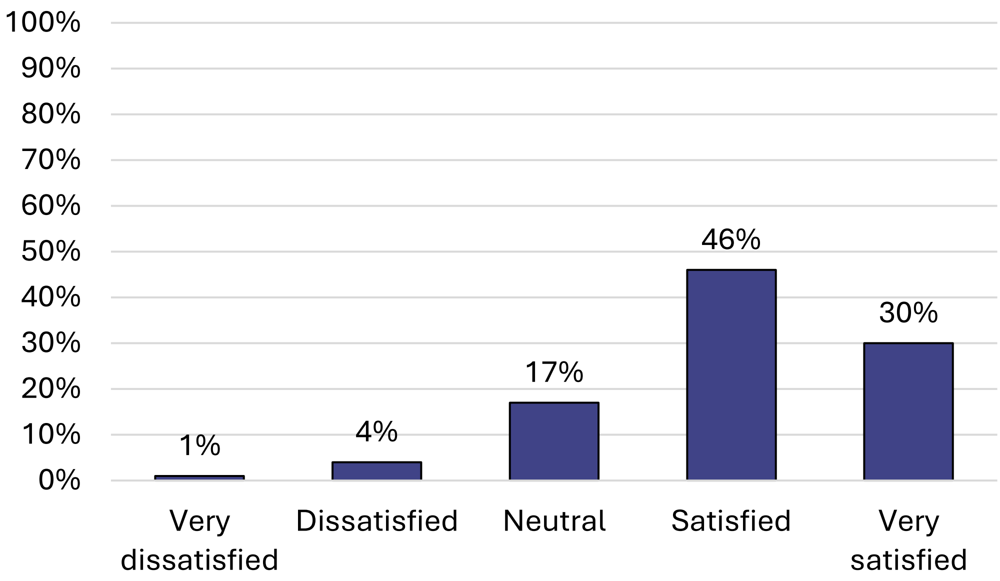
In the second half of 2025, we commissioned research to examine how New Zealanders acquire and use broadband modems.[120] Figure 3.51 outlines respondent's satisfaction with their modem.

118 Commission "NZ Telecommunications Customer Satisfaction Monitoring Report - January–June 2025" (June 2025) page 24, https://www.comcom.govt.nz/about-us/research/telecommunications-research/telecommunications-consumer-satisfaction-monitoring-report-january-june-2025.

119 Ibid, page 25.

120 We have included this report in this AMR for currency despite it falls just outside the timeframe in scope.

Figure 3.51 Modem satisfaction



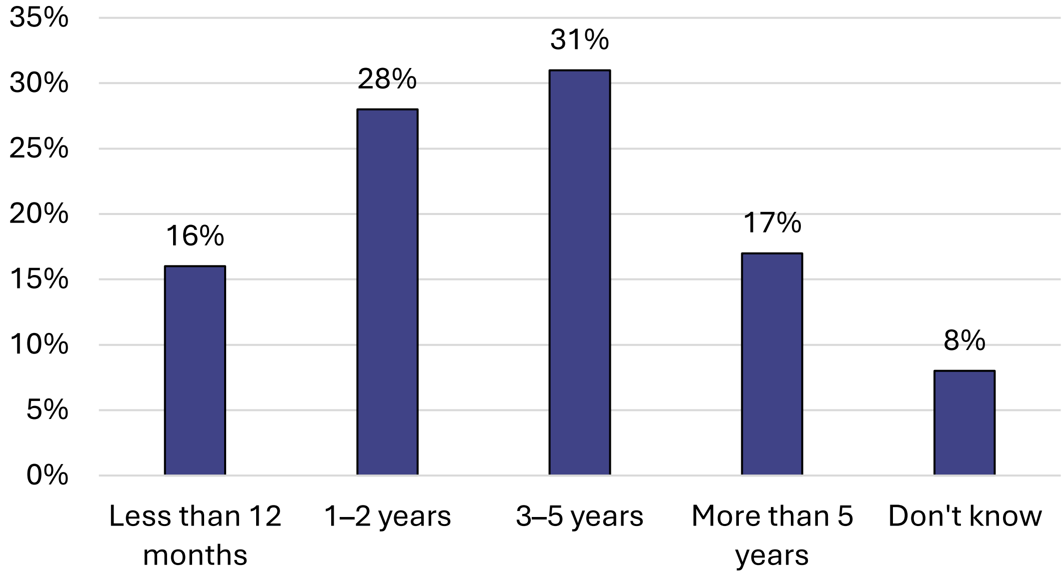
Source: Commission research: Q: 'Overall, how satisfied are you with the performance of your modem?'

The findings showed a broadly positive consumer experience with in-home equipment, with around three-quarters of users being at least satisfied with modem performance, and relatively low levels of dissatisfaction. However, our research indicated that approximately one in five consumers reported experiencing recurring modem performance issues, indicating that equipment-related problems persisted for a meaningful minority of households.

The research showed that equipment age and supply arrangements play an important role in shaping urban consumers' experiences.[121] Figure 3.52 provides context by showing the distribution of how long respondents have owned their modem.

[121] Commission data. Satisfaction dropped among respondents with older modems.

Figure 3.52 Length of modem ownership



Source: Commission data

Most residential modems were supplied directly by broadband providers (72%), and of those who knew their modem's age, nearly half had owned it for more than three years. Older modems were more commonly associated with higher reported issue frequency and lower satisfaction. Only a small proportion (11%) of consumers reported purchasing their modem independently through retail channels. Overall, this indicates that in-home equipment and set-up are a material determinant of user experience. As fibre uptake increases and network performance becomes more stable, in-home factors are likely to play a more prominent role in shaping consumer outcomes.

Reliance on provider-supplied hardware may limit consumer choice, contribute to older devices staying in circulation and suggests performance variation is linked to hardware lifecycle. However, if an RSP provided good guidance and support to optimise the placement and use of a supplied modem, consumers could experience better performance than if they self-sourced and installed a modem.

Modem location and in-home setup also directly affected the two attributes most consumers looked for in a modem: coverage and speed. The research indicated that households with Optical Network Terminals (**ONT**) installed in garages were more likely to report lower modem satisfaction and recurring performance issues, consistent with poorer coverage and reduced speeds. Modem placement within the home also varied, with many consumers locating devices close to the ONT rather than in rooms of highest internet use or in elevated positions. These patterns were more common among consumers who reported poorer modem performance, highlighting that simple placement changes can often improve both coverage and perceived speed.

Urban consumer summary

Urban connectivity offerings have expanded, with households able to choose from a broader mix of broadband technologies, plans and bundled offers. Fibre remained the dominant fixed technology in urban areas, supported by ongoing network investment and improved installation performance. At the same time, 4G/5G FWA connections continued to grow, particularly among price-sensitive households and renters, reflecting demand for lower upfront costs and simpler installation. Overall, urban consumers now have access to a wider range of options and more capable infrastructure than in the past.

However, consumer experience did not fully keep pace with network capability. While overall satisfaction stabilised following earlier declines, a proportion of urban consumers remained dissatisfied with aspects of everyday broadband performance, particularly perceived speed, reliability and pricing, which may also be influenced by factors beyond the network itself, such as in-home equipment or Wi-Fi performance.

This gap between technical capability and lived experience underscores the importance of clear product information, simple plan structures and consistent retail service practices to help consumers understand what they are buying and how it aligns with their needs.

Switching behaviour highlights both active engagement and persistent frictions in the market. Price remained the primary reason consumers change plans or switch providers, yet many households remained uncertain whether better options exist or find comparing plans too difficult or time-consuming. As bundling and plan complexity continued to increase, these behavioural barriers may further dampen competitive pressure unless addressed. The Commission's work with industry on improving switching for consumers is looking to address some of these barriers.

Chapter 4

Rural Connectivity at Home | Honotanga i Tuawhenua

Chapter 4 Rural Connectivity at Home | Honotanga i Tuawhenua

Rural areas are outside of fibre areas—anywhere regulated fibre services are not available—this includes around 352,000 New Zealand addresses (15%).

2025 highlights

Infrastructure

- 5G FWA coverage increased to 16% of rural addresses in 2025 (from 12% in 2024), with around 11,600 additional rural addresses able to access another high-speed alternative.
- Around 1,200 additional rural addresses gained access to a WISP-owned rural fibre network during the year.
- Download speeds for Starlink's Residential and Residential Lite plans (226Mbps and 200Mbps) were approximately four times faster than the next-best alternative that we measure, 4G FWA (56Mbps).

Wholesale

- Copper wholesale broadband connections in rural areas fell 24% over the past year, down to 56,000 connections, meaning households were voluntarily moving off copper.
- Only one geostationary orbit (**GEO**) satellite provider continued to offer services to new customers, down from two providers last year following the rapid expansion of LEO satellite options.

Retail

- Starlink had the largest market share (27%) in rural areas following the continued growth of LEO satellite.
- The rural broadband market was less concentrated than the urban market. We will be closely monitoring market concentration in rural areas as market shares continue to shift (eg, as Amazon LEO enters the market).
- Rural consumers pay on average $13 per month more than their urban counterparts, partly due to aspects such as lower population density, higher backhaul costs and greater reliance on FWA technologies.

Consumer

- Rural outcomes continued to lag behind urban. Despite incremental performance gains (eg, LEO satellite and some 4G/5G FWA upgrades), rural households still faced weaker service quality and less technology choice, at greater cost than urban counterparts.
- Satisfaction remained lower in rural areas across most dimensions (speed, reliability, pricing, customer service), with technology playing a role. Satellite users reported stronger satisfaction than rural 4G/5G FWA and copper users, where congestion and legacy limitations persist.

Infrastructure | Hanganga

Telecommunications infrastructure—the physical components that connect homes and businesses to voice and broadband services—provides the foundation for how the rest of the market operates in New Zealand. In rural areas, which contain a wide range of households from remote towns to large farms, infrastructure overlap is increasing, particularly that delivering high-speed connectivity.

This section examines the coverage and availability of different broadband technologies across rural areas, looking at where different technologies are deployed and how widely they are available to consumers. It also summarises the performance of these technologies using insights from our MBNZ programme.

Network coverage (broadband services)

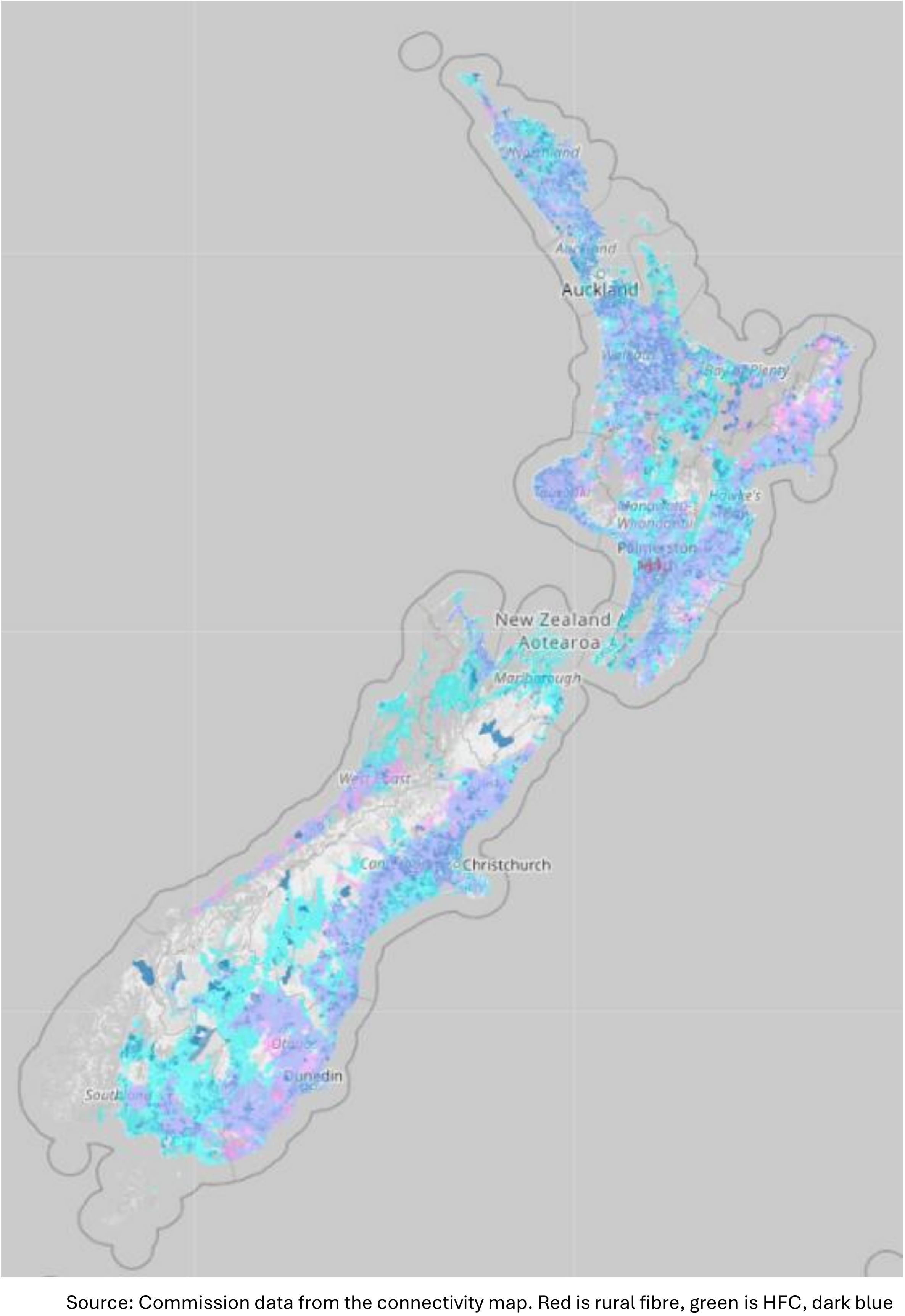
As we outlined at the start of the urban infrastructure section, coverage of a network is not the same as availability. Coverage refers to network reach, while availability refers to the customer's practical ability to access a service that is within reach. There are places in the country where a network is present (ie, in coverage) but, due to 'stop-sells', new customers cannot access it (ie, unavailable).

Unless specified otherwise, our analysis in this section focuses on coverage rather than availability, as this can differ by location.

Geographically, most of New Zealand is considered rural, but only around 13% of the population resides rurally. For the purposes of this analysis, rural areas are anywhere outside the regulated fibre footprint—this is an analytical definition based on fibre availability rather than the Stats NZ rural classification. Figure 3.1 in the Urban chapter shows the difference in size between urban and rural areas.

Figure 4.1 shows the coverage of rural technologies we capture. Most of the remaining white areas will also be rural by definition but are not in coverage of any technology.

Figure 4.1 Rural coverage of technologies at 30 June 2025



Source: Commission data from the connectivity map. Red is rural fibre, green is HFC, dark blue is copper (ADSL and VDSL), pink is NC FWA and light blue is 4G/5G FWA coverage.

Most technologies available in rural areas saw little change in coverage in the year to 30 June 2025 (Table 4.1).

Table 4.1 Rural technology coverage change

Technology	2024 rural coverage	2025 rural coverage	Change
Copper	52%	50%	-2pp
4G FWA	96%	96%	No change
5G FWA	12%	16%	+4pp
WISP NC FWA	61%[122]	71%	+10pp
HFC	1%	1%	No change
Rural fibre (from WISPs)[123]	1%	1%	No change

Source: Commission data

The key increase came from 5G FWA and WISP non-cellular FWA (**NC FWA**) networks. We discuss each of the technologies separately.

Copper

Chorus operates the copper network across New Zealand. This covered 98% of the population at its peak. The copper network supports voice and broadband (ADSL and VDSL) services.

Around half (50%) of rural addresses were in coverage of Chorus's copper network in 2025.[124] This dropped slightly from 52% in 2024.

The number of RSPs that offered copper connectivity on the existing network gradually reduced as the technology was phased out in favour of alternatives (such as 4G/5G FWA). Some RSPs only offered copper connections in areas with no alternatives, while some WISPs continued to offer copper plans using the legacy network.

122 In our 2024 AMR, we reported that 69% of rural addresses were in coverage of a WISP NC FWA network. We improved how we manage and process coverage data this year and so we reran the 2024 coverage data to check our results. This figure should have been 61% for 2024 rather than 69%. We have amended in this table.

123 There was a small increase of ~500 addresses as we discuss further in the AMR, but this is not significant enough to change the 1% figure in this table.

124 This coverage number is for either an ADSL or VDSL connection. Our data highlights that roughly 52% of rural addresses were in coverage for an unbundled copper low-frequency landline.

Rural Capacity Upgrade programme

Over the last few years, Government-funded initiatives have increased rural broadband coverage and capacity. The RCU programme was a Government-funded initiative that targeted upgrades to rural broadband infrastructure. Most recently, Chorus received funding to upgrade 73 rural cabinets to VDSL. This was expected to have improved broadband access to around 3,400 rural addresses by January 2025, delivering faster speeds and increased network capacity in these areas.[125]

4G and 5G FWA

FWA services can be provided over cellular and non-cellular networks.

Cellular fixed wireless broadband (**4G/5G FWA**) uses much of the same infrastructure and spectrum as mobile calling, text and data services. In most cases, 4G/5G FWA is restricted to a set location and is delivered via a router.

The 4G/5G FWA coverage offered by mobile networks is based on the type and amount of spectrum the MNO has acquired as well as the number and position of sites (towers and masts) hosting equipment.

Topographical features such as trees, buildings and other structures can result in localised coverage gaps. The number of people using a site at any one time is also an important consideration for these operators. As performance is impacted by the number of people connected, operators may put in place 'stop-sells'—temporary non-sell orders—until capacity is freed up to improve performance or allow new users.

In New Zealand, there are three national mobile networks, operated by 2degrees, Spark and One NZ. All three offer 4G/5G FWA services using their 4G and 5G networks.

4G/5G FWA coverage differs from other 4G and 5G mobile services. The primary reason for the coverage difference is that 4G/5G FWA services require and use significantly more network capacity than other mobile services (such as voice and text).

Structurally, the New Zealand market allows for greater levels of 4G/5G FWA services than many other countries due to lower population densities, which results in a higher MHz-to-subscriber ratio.

125 Chorus "Chorus taking fibre further and upgrading more rural broadband cabinets" (7 December 2016), available at https://company.chorus.co.nz/media/releases/chorus-taking-fibre-further-and-upgrading-more-rural-broadband-cabinets.

As 4G/5G FWA coverage in rural areas is impacted by topographic features (such as trees, hills and valleys) more remote rural areas may lack coverage. MNOs prioritise population coverage to maximise network usage, often resulting in rural areas lagging behind urban areas in the deployment of new mobile technologies. Both 4G and 5G FWA suffer performance-wise as the number of consumers grow. MNOs often manage this through ‘stop-sells’. As ‘stop-sells’ can be put in place based on distance from the cell tower, rural consumers are more likely to have 5G FWA ‘stop-sells’ in place, meaning they cannot access the service (ie, though they might be in coverage, the service is unavailable to them).

4G FWA

Traditionally, 4G FWA has been the main alternative technology to copper for rural households. However the entry of LEO satellite and the rollout of 5G FWA has meant some rural consumers have a wider range of (often faster) options.

As of June 2025, 95% of rural addresses were within the coverage area of at least one MNO’s 4G FWA network, a value unchanged from 2024.[126] The remaining addresses not in coverage are likely the most remote and isolated.

MNOs have continued to invest in their 4G networks—particularly in the lead up to the 3G shutdown.

5G FWA

5G networks that service 5G FWA have been the focus of investment by MNOs in recent years.[127]

Rural 5G FWA coverage (coverage from at least one MNO) grew to 16% of rural addresses, up from 12% in 2024. This increase appears to be incremental to the expansion of 5G coverage in urban fringe areas. Rural growth has been slowing (with this year’s increase of 4% a drop of 9.55% the previous year). We expect to see growth slow further as MNOs focus on urban densification of 5G to meet demand grows in those more populated parts of the country.

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126 As with our WISP NC FWA coverage figure, after re-processing the 2024 4G FWA coverage data this year, we note that this figure should have been 96% rather than our previously reported 95%.

127 5G uses higher ranges of spectrum, meaning it travels less distance and is better for smaller, more dense areas such as cities. As such, while rural areas of the country are not the target market for these services, some rural addresses will gain access where they are close to, but not in, urban areas.

Non-cellular FWA

Non-cellular fixed wireless (**NC FWA**) is a telecommunications technology aimed at providing data over long distances in a variety of ways. NC FWA is like long-range Wi-Fi, but it can enable usage at much greater distances than in-home Wi-Fi.

WISPs typically use NC FWA networks to deliver their broadband services. They do this by installing a series of receivers and transmitters, usually on high ground, connected to fibre at a central point, which deliver services to a set of users in mostly rural areas where fibre is not available.

There are over 30 WISPs operating in New Zealand. Many operate in a single region and there is generally limited overlap between their networks.

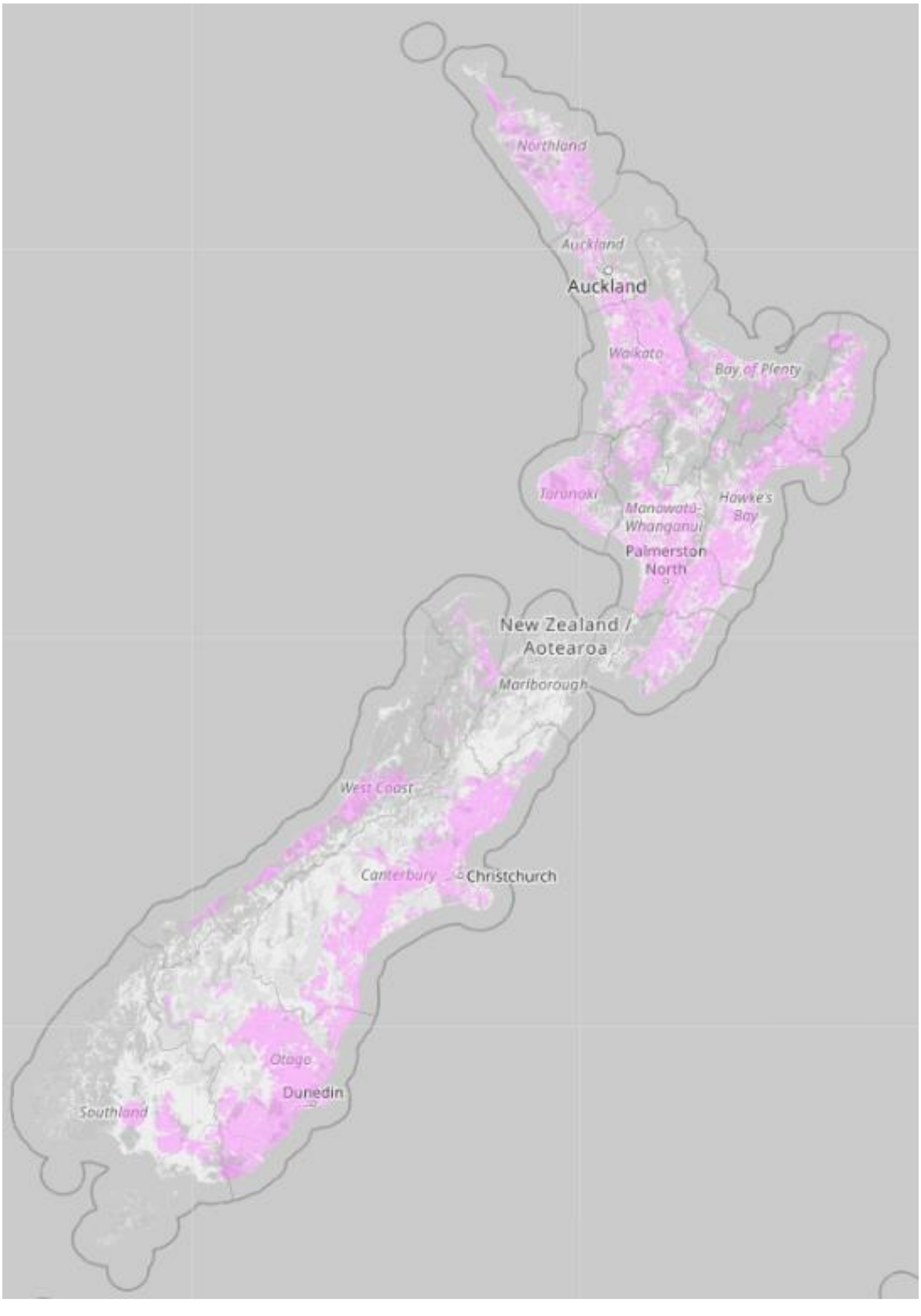
As of June 2025, 71% of rural addresses were within the coverage area of at least one WISP network (Figure 4.2).[128] This is a technical increase over last year (61%) but is mainly due to the fact that we now receive data from another four WISPs.

As WISPs typically operate in separate localised areas, with minimal network overlap, each additional WISP we receive data from generally increases aggregate coverage.

The average increase from 2024 to 2025 in rural addresses covered by each WISP was 189, an increase of 2.3%. Considering that each year a number of rural addresses move to fibre (as the boundaries of the network expand), this represents a steady increase in coverage from WISPs.

[128] WISP coverage has been calculated using the 25 coverage maps provided through our annual data request. Some WISPs did not have coverage maps available. Therefore, actual WISP coverage will be higher than the stated coverage figure.

Figure 4.2 Rural NC FWA coverage across New Zealand



Source: Commission data

Rural fibre

Fibre in urban areas, from the LFCs, is available to 87% of households and businesses. However, independent of the LFCs, some WISPs have begun to invest in deploying their own small-scale fibre networks in rural parts of the country. Providers we are aware of include:

- Amuri.net rolling out fibre to Ohoka, Mandeville and Swannanoa in the Canterbury region.
- Inspire Net building and operating a fibre network around Palmerston North.
- Lightwire building and operating a fibre network in Gordonton in the Waikato region.
- Primo developing a fibre network in Egmont Village in Taranaki. Primo also announced it is beginning to build a fibre network in Ōhawe in South Taranaki.
- Velocity Net building and operating fibre networks in multiple subdivisions in the lower South Island.
- Other WISPs, such as Full Flavour and Yrless, advertise being able to provide fibre for rural subdivisions or private fibre installations.

This year, WISPs had around 2,200 rural fibre connections on their own fibre networks, an increase of around 10% (500) over the past year. WISPs are able to economically build fibre networks in areas with certain density and geographic characteristics. We expect to see WISP fibre coverage expand as more opportunities are identified in rural areas.

Geostationary orbit satellite

Geostationary orbit (**GEO**) satellites operate approximately 35,000km above the Earth's surface and provide coverage to a specific area. GEO satellites orbit along a path parallel to the Earth's rotation at the same rate as the Earth to provide this fixed coverage.

While there are hundreds of GEO satellites orbiting the Earth, there are two operators with satellites oriented towards New Zealand that can offer wholesale broadband services—Optus and Kacific. Optus has been providing satellite coverage to New Zealand for many years, while Kacific has been operating in New Zealand for just over five years and partners with Gravity to retail services.

A household antenna receiving satellite services must have a clear view of the sky to connect to the satellite overhead. Topographic features such as trees, buildings and other structures can result in localised coverage gaps not visible or known to the satellite provider.

As of June 2025, Kacific provided satellite broadband coverage to all parts of New Zealand that could receive a satellite signal, including remote locations such as Stewart Island and the Chatham Islands. While Optus historically offered GEO-based satellite broadband, no New Zealand broadband retailers were using the Optus service.[129] Kacific operates solely as a wholesale provider, meaning customers must purchase their broadband service through one of Kacific's retail partners, such as Gravity.

129 Commission data.

LEO satellite

LEO satellites orbit close to the Earth's surface at altitudes ranging from 160–2,000km (99–1,240 miles). LEO satellites have shorter orbital periods, typically ranging from 90 minutes to a few hours. This means they complete one orbit around the Earth quickly compared to satellites at higher altitude.

Due to their lower altitude and faster orbital periods, LEO satellites can provide global coverage by forming large constellations of satellites. Starlink is a constellation of just over 7,800 satellites that orbit at about 550km and cover the entire globe. At present, Starlink is the only LEO satellite constellation providing broadband coverage to New Zealand.

A household antenna receiving satellite services must have a clear view of the sky to connect to the satellites overhead. Topographical features such as trees, buildings and other structures can result in localised coverage gaps not visible or known to the satellite provider.

As of June 2025, Starlink remained the only LEO satellite provider with active commercial operations in New Zealand. Amazon's LEO service (formerly Project Kuiper) is expected to offer a similar LEO satellite broadband experience once launched. Amazon previously anticipated launching its service in late 2025 but now expects to begin offering services in Australia in 2026.[130] A launch date for New Zealand has not yet been announced, but Amazon LEO is expected to become a future competitor to Starlink.

Starlink provides service to all parts of New Zealand capable of receiving a satellite signal, including Stewart Island and the Chatham Islands.

[130] Amazon "Project Kuiper partners with NBN Co to bring low Earth orbit satellite broadband to rural Australia" (August 2025), https://www.aboutamazon.com.au/news/innovation/project-kuiper-partners-with-nbn-co-to-bring-low-earth-orbit-satellite-broadband-to-rural-australia.

Performance

Broadband performance is about how much and how quickly data can move between the end user and the online content they are accessing. This data is moving back and forth across telecommunications infrastructure, from the end user's device to servers around the world. We independently measure this through our MBNZ programme.

The underlying nature of the technology delivering the connection inherently limits its maximum performance capabilities. For example, copper-based services like ADSL and VDSL are constrained by the physical length and degradation of the lines, while FWA technologies like 4G FWA can be impacted by distance to the nearest cell tower and local network congestion.

Each broadband connection needs a router. Consumers usually obtain a router by buying, renting or receiving one from the broadband provider when signing up to a broadband plan or buying a router from a consumer electronics retailer. Performance is highly dependent on the router used.

In this section, we evaluate the performance of these technologies across four key metrics:

- Speed: The rate at which data is transferred (download and upload capacity).
- Latency: The delay in data transmission between the user's device and the server.
- Netflix: The ability to stream UHD content on multiple devices simultaneously.
- Reliability: The number and duration of faults.

Our analysis of broadband performance in rural areas covers ADSL, VDSL, 4G FWA and LEO satellite (Starlink). At this stage, we do not have sufficient performance data on NC FWA in rural areas.

To undertake the analysis, we have split our MBNZ results into urban and rural areas. The results for broadband performance in urban areas can be found in the Urban chapter.

Broadband speed

Download and upload speed in Mbps, as measured in our MBNZ programme, is the speed data travels between the internet and the router in the home.

The table below provides a guide on what activities various download speeds allow. Note that other factors such as latency and the location of hosted content will impact the online experience.

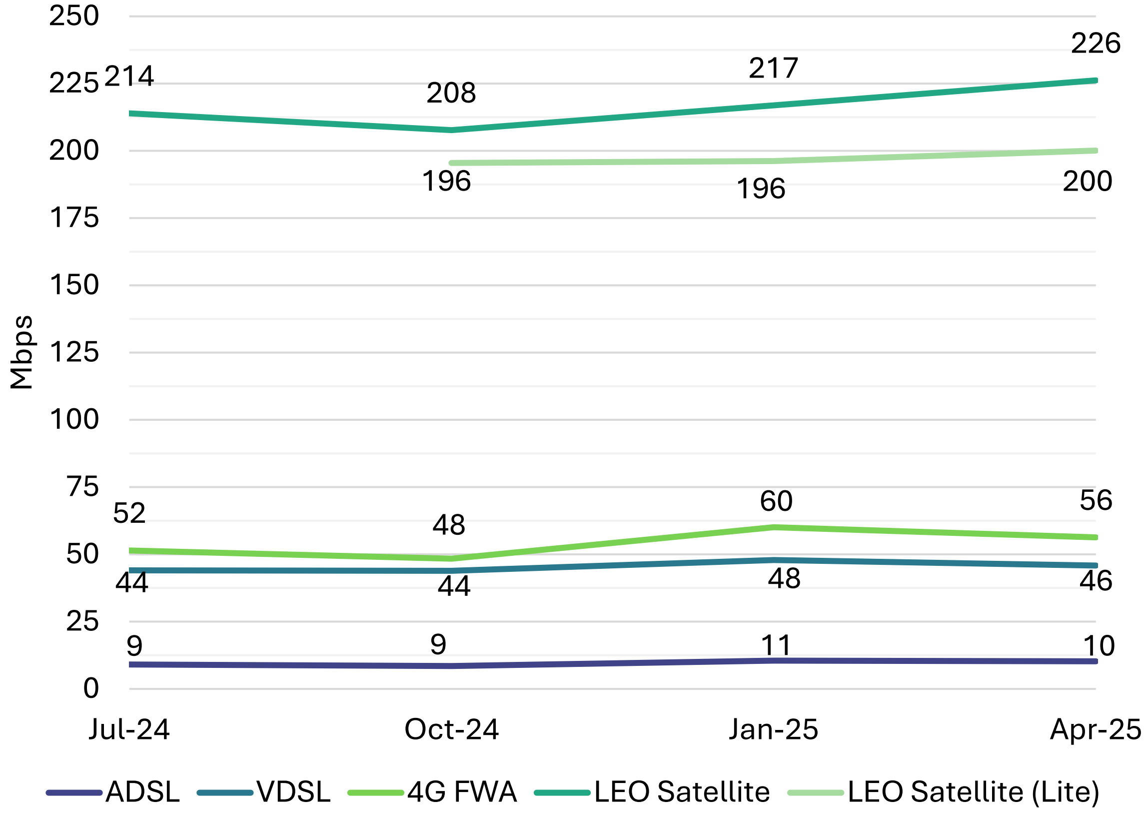
Download speed	Online experience
0–5Mbps	Browse the internet, use search engines, use email, watch videos in lower resolutions (up to 720p). Individual large files take a long time to download (1GB at 5Mbps takes over 25 minutes).
5–40Mbps	Possibly able to stream up to UHD on one device or stream high definition (1080p) on multiple devices. Able to download large individual files in a reasonable amount of time (1GB at 40Mbps takes just over 3 minutes).
40–100Mbps	Comfortably able to stream UHD without interruption, and have multiple people use streaming services. Able to download larger files (such as smaller modern game releases) in a reasonable amount of time (20GB at 100Mbps takes just over 25 minutes).
100–500Mbps	Multiple users can stream UHD video without interruption. Large files download very quickly (1GB at 500Mbps takes 16 seconds). Larger game releases download in a reasonable amount of time (80GB at 500Mbps takes just under 22 minutes).
500–1,000Mbps	Able to download even the largest video games very quickly (120GB at 1,000Mbps takes 16 minutes).

Upload speeds should be considered alongside download speeds. The main applications where the impact of upload speed is apparent are file transfers and video conferencing. For example, a lower upload speed will mean that it takes longer for files to sync or email attachments to be applied.

Figure 4.3 shows the average rural download speeds for the technologies measured by the MBNZ programme over the year to April 2025.[131]

131 The April 2025 reporting period was the last period where data was collected for the year in scope (year to 30 June 2025). The fibre speed boost that occurred in June 2025 for Fibre 50 and Fibre 300, as well as Lightwire's NC FWA speeds, will be reflected in next year's AMR.

Figure 4.3 Average rural download speed (24/7)



Source: Commission analysis of MBNZ data

Based on April 2025 testing, VDSL connections achieved slightly slower download speeds to 4G FWA. ADSL customers averaged 10Mbps, which impacts user experience on data-hungry applications such as streaming, video conferencing and gaming.

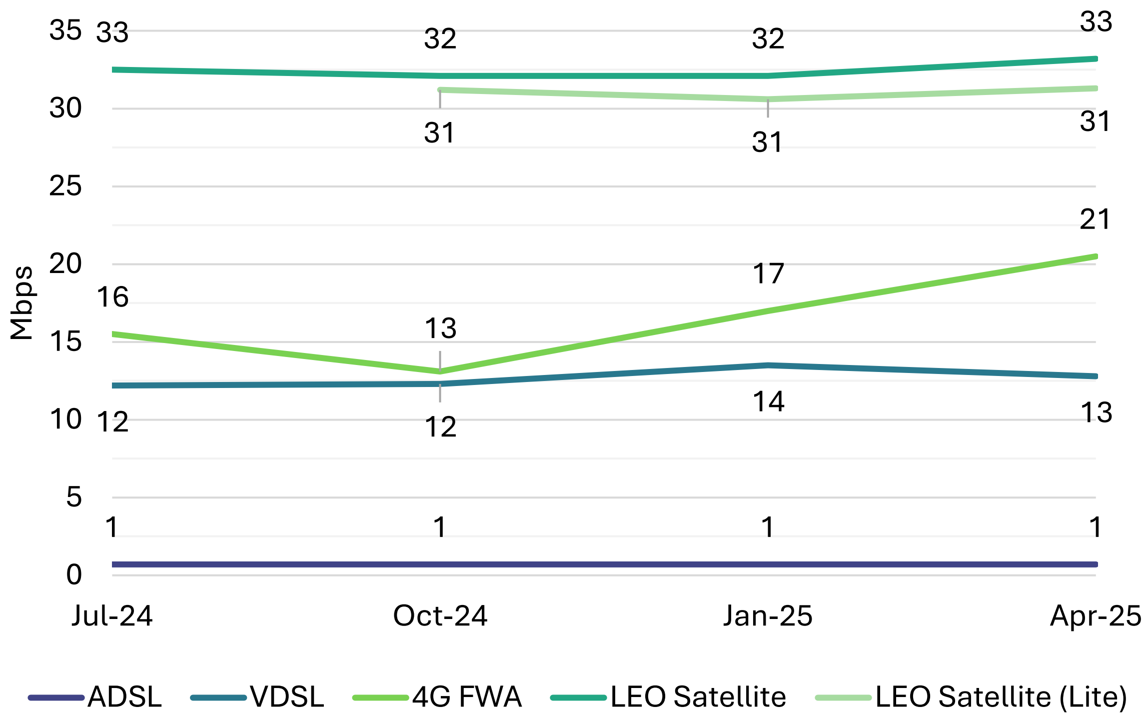
April 2025 testing showed that LEO satellite rural download speeds (226Mbps) were 302% higher than the next fastest alternative (rural 4G FWA on 56Mbps). The download speed of the cheaper Starlink Residential Lite service (200Mbps) was 255% faster than rural 4G FWA. Starlink launched its Lite service in February 2024, and we began testing the service in July 2024.[132] During busy periods, traffic on this service may be given lower priority than Residential plan customers, which can affect performance.

[132] Starlink has now formally split its customer offerings into a standard Residential plan and a cheaper, "Residential Lite" (formerly the deprioritised plan), which launched internationally in February 2024 and has since expanded to more than 30 markets. Residential Lite delivers reduced speeds and deprioritised data during peak hours, making it distinct from the main Residential service.

LEO satellite speeds have increased year on year despite increasing numbers of customers on the network. As more users connect to Starlink's service, we may see more differentiation in its speeds, prioritising customers using the higher tier plans as the network gets busier. However, customers were unlikely to experience any noticeable effects from the current differential in speeds or reported performance.

Figure 4.4 shows the average rural upload speeds for the technologies measured by the MBNZ programme over the past year.

Figure 4.4 Average rural upload speed (24/7)



Source: Commission analysis of MBNZ data

Based on April 2025 testing, average rural upload speeds for ADSL (1Mbps) were consistent with last year's results. VDSL upload speed continued to increase from 9Mbps in July 2023 to 12Mbps in 2024, and 13Mbps in 2025. This is likely attributable to network improvements and an emptying network as increasing numbers of users shift to an alternative broadband technology. LEO satellite upload speeds continued to perform significantly better than copper and 4G FWA in rural areas.

Overall, ADSL, VDSL and 4G FWA speeds have remained steady across our reporting periods, with the minor changes unlikely to be noticeable by consumers.

The download and upload results indicate that ADSL customers were unlikely to be able to do much more than basic browsing, whereas VDSL and 4G FWA support a fuller online experience for a smaller household. LEO satellite represents a significant step up to support the online experience of larger households.

There were not enough volunteers for WISP NC FWA performance results. In general, WISPs advertised speeds of between 5Mbps and 50Mbps on their NC FWA networks.[133]

Netflix[134]

Netflix is the most popular subscription streaming service in New Zealand, with 38% of Kiwis aged 15 and older using the service in 2024. As such, the ability to stream Netflix in UHD is an experiential measure included in MBNZ used to compare performance of different technologies.

Our MBNZ results reflect not just the performance of the infrastructure and RSPs, but also any changes Netflix makes in the background—in particular, video and audio encoding, which is the process of compressing files (making them smaller to download) without compromising the quality.

Results from April 2025 testing showed that ADSL continued to struggle to reliably stream UHD Netflix at all (Table 4.2).

Table 4.2 The proportion of rural households that could reliably stream UHD from Netflix

Technology	1 UHD Stream	2 UHD Streams	3 UHD Streams	4 UHD Streams
ADSL	12%	0%	0%	0%
VDSL	91%	53%	35%	21%
4G FWA	62%	38%	23%	9%
LEO satellite	92%	67%	7%	0%
LEO satellite (Lite)	98%	44%	4%	0%

Source: Commission analysis of MBNZ data[135]

The performance of LEO satellite declined year on year, particularly in its ability to reliably support UHD video streaming during peak hours. This likely reflects increased congestion as satellite uptake grew, rather than a deterioration in the underlying technology. For consumers, this may mean more variable performance for data-intensive activities such as video calls, remote work, online learning, or streaming in multi-user households, particularly during busy evening periods.

133 We started reporting on Lightwire's NC FWA service from the August 2025 MBNZ report.

134 We use a 2024 figure as 2025 report was not completed by NZ On Air so we are unable to update it. We expect it is still applicable in 2025. NZ on air "Where Are The Audiences? 2024" (26 August 2024), https://www.nzonair.govt.nz/news/where-are-the-audiences-2024/.

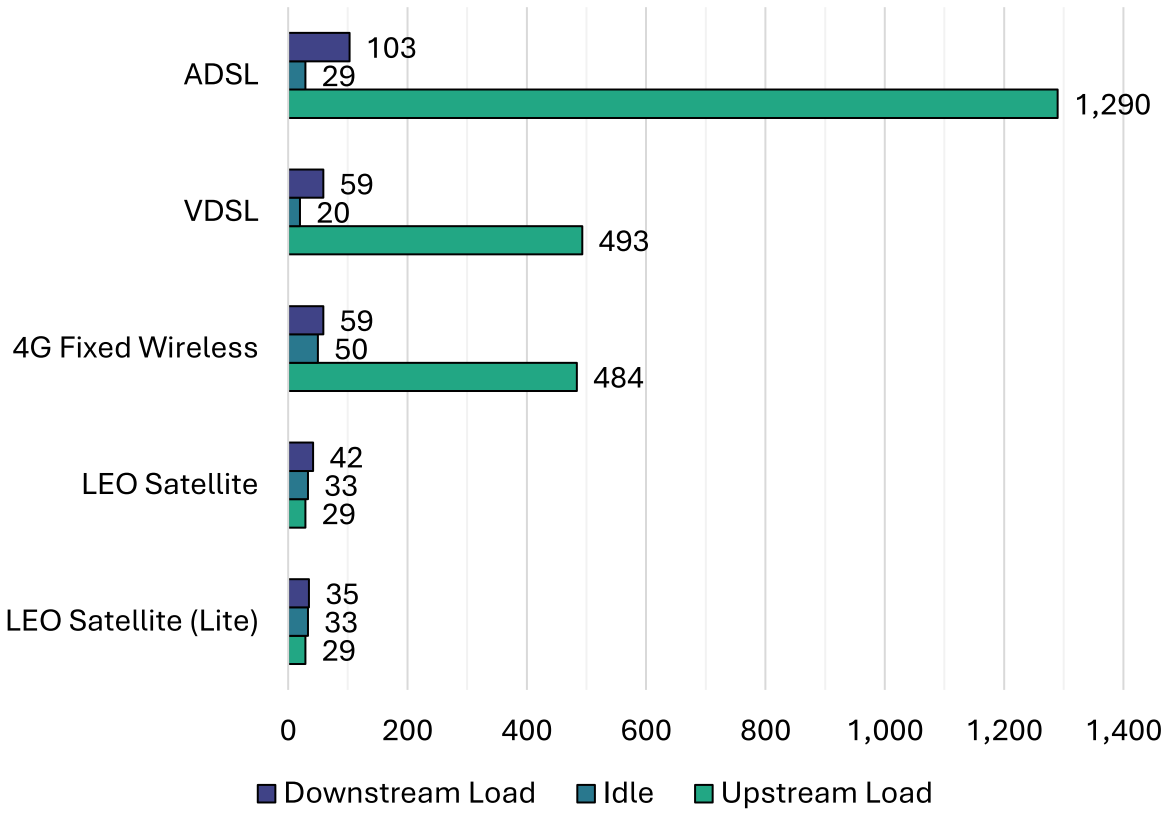
135 Commission "MBNZ Report 24" (June 2025 with data from April 2025) page 37, https://www.comcom.govt.nz/assets/Uploads/Measuring-Broadband-New-Zealand-Report-24-June-2025.pdf.

Latency under load

Latency under load refers to the end-to-end latency of an internet connection when the network is loaded with traffic for a period. In our MBNZ testing, we run multiple speed tests in parallel as a proxy for a more heavily utilised network connection. This test is more indicative of real-world usage—multiple devices in the home competing for bandwidth.

Figure 4.5 shows that latency under load had a significant impact on performance, particularly for copper connections, with ADSL the most impacted.

Figure 4.5 Average rural latency under load (24/7)



Source: Commission analysis of MBNZ data

Its latency under upstream load of 1,290ms was likely to impact the performance of most online activities, aside from basic web browsing. LEO satellite performs much better under load than the other rural technologies we test. Cisco considers VoIP calls with less than 150ms of latency (one way) to be usable, but actual performance will vary.[136]

[136] S. P. C. Lewis, "Implementing quality of service over Cisco MPLS VPNs," in Selecting MPLS VPN Services. San Jose, CA, USA: Cisco Systems, May 2006, Ch. 5.

Remote working

> Lower latency is important for a good experience using video conferencing services, including when working remotely. For someone on a video call, high latency can result in a delay between users receiving audio or video from those at the other end of the call. High latency can also cause video calls to jump or drop out more often.
>
> Latency increases when lots of people are using the same network or when internet traffic is high during peak times. Wi-Fi interference, distance from the router, or weak signals can increase latency compared to wired connections, and older devices take longer to process video and audio, adding to potential delays. Server location is another factor that affects the latency of video conferencing services. Services that use servers geographically further away from users will experience higher latency as traffic travels further between the server and the user.

In 2025, InternetNZ research showed that 54% of employed New Zealanders do the type of work that allows them to work from home, a slight increase from 52% in 2024. Of those workers, around 75% worked from home all or some of the time.[137]

Video conferencing service latency remains critical for remote working. It is also increasingly relevant in rural areas, as a growing share of work, education and communication relies on real-time online services, including video calls.

Our MBNZ programme tested performance across technologies for different video conferencing services. For specific video conferencing services, GoToMeeting and Zoom experienced the worst latency, roughly three and four times worse respectively than the next worst application.

Of the technologies tested, copper and satellite services had lower latencies than video conferencing services, and 4G FWA had higher latencies. For video conferencing, VDSL and 4G FWA provide better latency performance compared to ADSL, but they still fall short of the low latency offered by fibre.

LEO satellite emerged as a superior alternative to traditional networks prone to congestion (such as copper and 4G FWA), but it is subject to variability based on external factors. Weather events such as heavy rain or snow can weaken signals, while trees, buildings, or terrain may obstruct line of sight. Performance can also fluctuate during satellite handovers, or in periods of high user demand, and may be affected by ground-station congestion, radio-frequency interference, or solar activity.

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137 Commission analysis of data from Internet NZ | Ipurangi Aotearoa "New Zealand's Internet Insights: 2025 Survey Findings" page 50, see https://internetnz.nz/assets/Archives/New-Zealands-Internet-Insights-2025-survey-findings.pdf.

Following the 2025 fibre speed upgrades, even entry level fibre plans provided the necessary upload headroom to maintain low latency during high definition video calls and outperformed all rural technologies for latency. This is why WISP fibre deployment will continue to prove an attractive option for rural households, particularly those who work remotely.

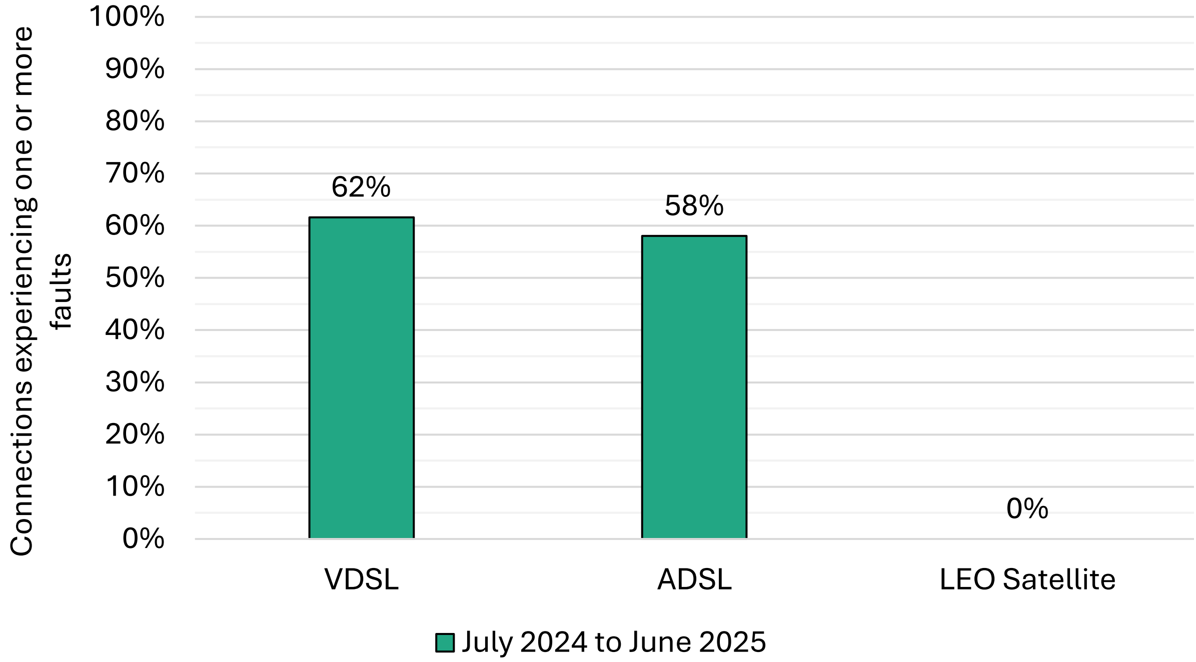
Reliability

We receive data on the number and duration of faults (defined as a service interruption to a broadband connection that is not due to customer premises equipment such as the router) for fibre, copper and LEO satellite connections. We have again not included FWA fault data due to variances in data quality. We are consulting with industry on better ways to gather consistent information about FWA network service interruptions.

In the 2025 data collection we changed the methodology to only collect faults data over the last year. Previously we collected faults data over the last two years.

Over the year to June 2025, rural connections experienced longer service interruptions than those in urban areas. Figure 4.6 shows the proportion of connections that experienced one or more faults over the period of July 2024–June 2025.

Figure 4.6 Connections experiencing one or more faults on different technologies



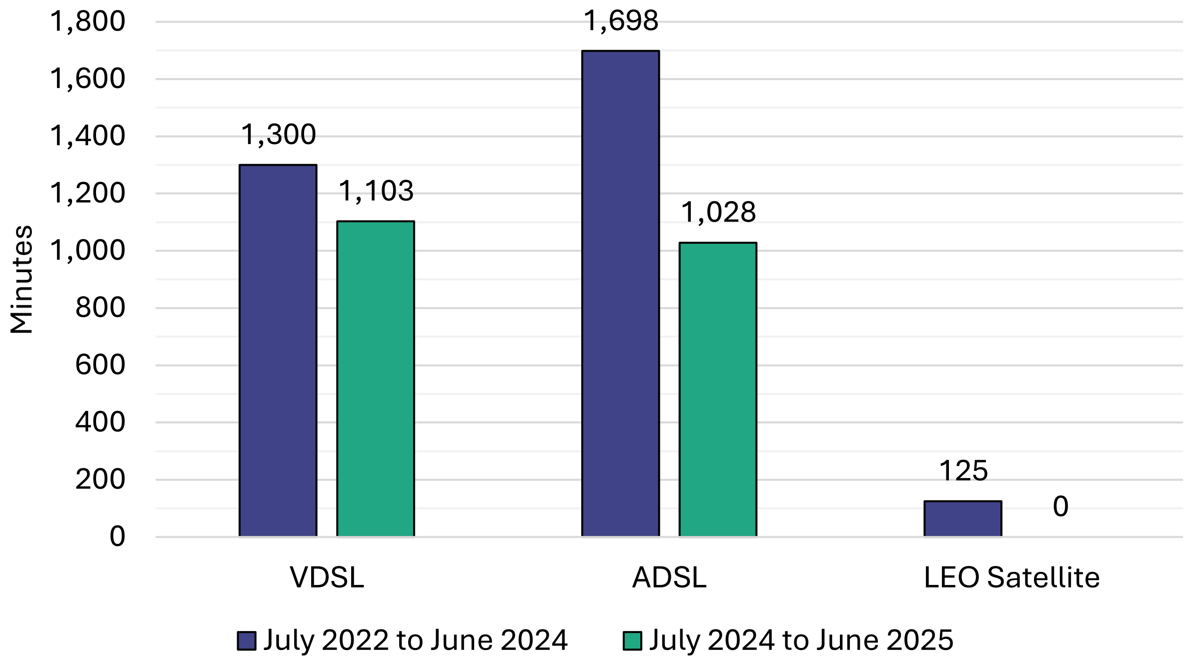
Source: Commission data

Rural VDSL connections were slightly more likely to experience at least one fault than rural ADSL connections. Compared with the period from 2022–2024, fault rates increased for both ADSL and VDSL.

Over the past year, Starlink reported no faults (although this does not necessarily indicate an absence of service interruptions experienced by customers). While copper faults were more common, they are typically localised, affecting specific cabinets or lines. By contrast, when Starlink faults occur, they tend to be more widespread and can affect connections nationally. Starlink experienced outages in September 2023 and July 2025, both outside this year's reporting period.[138]

Figure 4.7 shows the average fault duration of different rural technologies.

Figure 4.7 Average fault duration on various technologies



Source: Commission data[139]

[138] Radio New Zealand "Elon Musk's Starlink back online after mass outages" (September 2023), https://www.rnz.co.nz/news/national/497908/elon-musk-s-starlink-back-online-after-mass-outages; Radio New Zealand "Satellite internet provider Starlink hit by network outage" (July 2025) https://www.rnz.co.nz/news/national/567984/satellite-internet-provider-starlink-hit-by-network-outage.

[139] In the 2025 data collection we changed the methodology to only collect faults data over the last year. Previously we collected faults data over the last two years. As the data is averaged, we included the previous period as a comparison.

In rural areas, copper faults took longer to resolve than in urban areas. Rural ADSL faults took 17 hours on average to fix, down from 28 hours in the previous period we measured, between 2022 and 2024. This period included a number of weather events, such as Cyclone Garielle, which would have impacted the average time for a fault to be fixed. Some RSPs offer alternative connectivity options during copper service interruptions, including providing large mobile data caps to help rural households maintain essential internet access.

Overall, for rural copper, our key observations are that over half of lines experienced faults and these faults took on average 18 hours to fix, down from 25 hours in 2024. LEO satellite fault data shows relatively fast resolution times for faults, averaging 125 minutes between July 2022 and June 2024. No faults were recorded in the latest reporting period (July 2024 to June 2025).

Rural infrastructure summary

Rural broadband performance in 2025 showed clear differences between technologies. ADSL continued to support only basic online activity, while 4G FWA and WISP NC FWA services provided a more workable experience for everyday use. The growing availability of LEO satellite improved options for rural addresses, helping narrow the performance gap with urban broadband, although performance can still vary due to factors such as weather, line-of-sight obstructions and periods of high demand.

Rural copper connections continued to experience more frequent and slower-to-resolve faults, while other technologies, including satellite services, reported fewer issues over the past year.

Wholesale | Hoko rarawe

The wholesale market plays an important role in shaping outcomes at the retail level for consumers. Regulation usually applies where there is insufficient competition to result in access to key infrastructure or access on sufficiently competitive terms. Rural areas have benefited more recently from Crown investment initiatives with associated wholesale obligations.

This section looks at the relatively small number of wholesale services across technologies in rural areas. Many of the contractual terms for these wholesale services are private, so we have limited visibility of them.[140]

Wholesale connections

Wholesale copper connections

As the owner of the copper network, Chorus is required by regulation to offer copper-based bitstream and voice services in rural areas. These wholesale services are known as the unbundled bitstream access (**UBA**) service and the unbundled copper low-frequency (**UCLF**) service. RSPs can purchase these services to provide their own retail broadband and voice offers.

As of 30 June 2025, Chorus wholesaled 56,000 copper broadband (UBA) connections in rural areas, down 24% from a year earlier (74,000 connections) (Figure 4.8). During the same period, Chorus wholesaled 12,000 landline-only copper (UCLF) connections, down 33% from a year earlier (18,000 connections).[141]

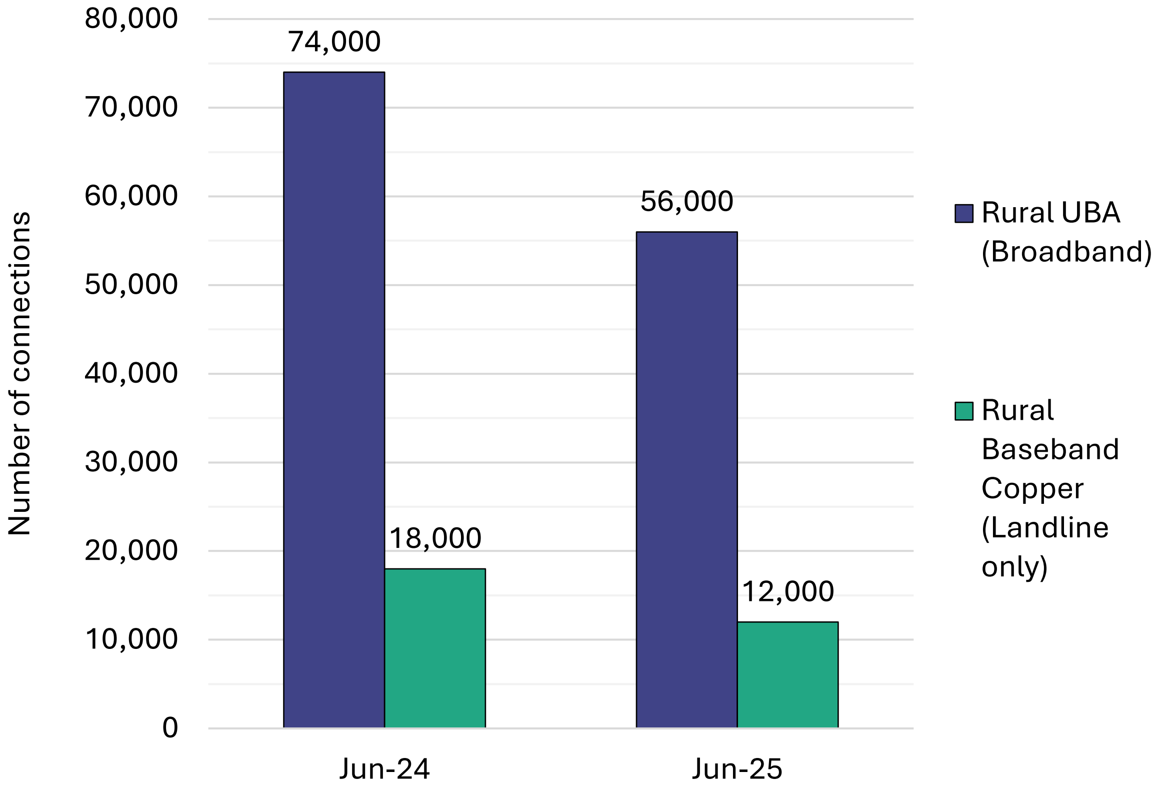
For comparison, copper broadband connections in urban areas, where copper withdrawal is planned to be completed in 2026, fell by around 68% to 12,000.[142]

140 We do not currently collect such data.

141 Chorus "Q4 FY24 Quarterly Connections update" (9 July 2024) page 7, see https://assets.ctfassets.net/7urik9yedtqc/nzx-doc-422323/4820289b47b304236838586604806fd9/Q4_FY24_Connections_Update.pdf; and Chorus "Q4 FY25 Quarterly Connections update" (11 July 2025) page 7, see https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

142 Chorus "Q4 FY25 Quarterly Connections update" (11 July 2025) page 7, see https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

Figure 4.8 UBA and Baseband copper connections in rural areas



Source: Chorus reporting

During the same period, Chorus wholesaled 12,000 Baseband copper connections (landline-only), down 33% from a year earlier (18,000 connections).[143]

For comparison, UBA broadband connections in urban areas, where copper withdrawal will be completed in 2026, fell by around 68% to 12,000, as demand moved to fibre services.[144]

Wholesale copper connections in rural New Zealand continued to decline through 2025, with the rate of reduction accelerating over the past year. Although Chorus cannot withdraw copper services in rural areas, connection numbers are falling as increasing number of consumers move to better performing alternative technologies. We do expect there to be a small tail of consumers committed to remaining on copper for personal, financial and/or resilience reasons.

143 Commission analysis of Chorus annual reports and information provided by Chorus, see https://company.chorus.co.nz/reports.

144 Chorus "Q4 FY25 Connections Update" (July 2025), page 7 https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

In March 2025, the Commission released its draft recommendation that rural copper services should be deregulated, which was subsequently confirmed in a final recommendation (August 2025) and is now with the relevant Minister for consideration.[145] If accepted, this would allow Chorus to withdraw copper services in rural areas. Our recommendation highlighted our belief that competition from alternative technologies is, and will be, sufficient to justify removing copper regulation. Deregulation would allow Chorus to meet its goal of becoming a fibre only network by 2030, as it could withdraw services where consumers are not proactively changing.

Wholesale 4G/5G FWA services

We discuss wholesale 4G/5G FWA services at a national level in the Urban chapter.

Wholesale satellite connections

Kacific and Optus have historically operated as wholesale-only companies and provide wholesale GEO satellite services to RSPs. Satellite services are wholesaled on commercial terms.

In recent years, we have seen several retailers exit the GEO satellite market. Gravity remained the only GEO satellite provider retailing to new customers in 2025.

Overall, WISPs that previously retailed GEO satellite services are increasingly repositioning themselves in response to competition from Starlink. Some have elected to diversify away from GEO satellite by becoming rural fibre network operators (such as Farmside), or by focusing more on their NC FWA networks (Wireless Nation). Others have begun retailing 4G FWA services where available (Gravity), or by pivoting to reselling Starlink services to non-residential customers (Woi).[146]

LEO satellite service Starlink operates mostly on a direct retail basis. However, the company has set up partnerships with the MNOs and WISPs for them to be authorised commercial resellers in New Zealand for Starlink Business services. Starlink hardware for both residential and business plans may be purchased from these partners as well as providers such as Bunnings Warehouse, JB Hi-Fi and Harvey Norman.[147] As this technology is proprietary, this retail competition is good for consumers.[148]

All three MNOs have also announced agreements with various LEO satellite operators to provide D2C services. We provide analysis of these in the Connectivity on the Move chapter.

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145 Commission "Copper Services Investigation", see https://www.comcom.govt.nz/regulated-industries/telecommunications/projects/copper-services-investigation/.

146 Discussion with provider.

147 Providers' websites.

148 Although we note that prices are generally the same across all retailers, likely reflecting strict wholesale contracts between Starlink and the retailers.

Wholesale pricing

Copper

In December 2024, Chorus increased the wholesale price for its copper bitstream products, following the annual legislated CPI price adjustments to Chorus's regulated copper services.[149] Its current price of $52.18 sits between its price for Fibre 50 (Fibre Starter, now Fibre 100) at $38.00 and Fibre 300 (now Fibre 500) at $56.28 (Table 4.3).[150]

Table 4.3 Chorus wholesale prices

Plan	2024	2025	% change
Copper UBA	$51.08	$52.18	2.15%

Source: Chorus price cards

New copper connections are limited, with availability largely confined to limited rural areas. As a result, competition for remaining copper customers is weak, and RSPs with existing copper customers are more likely to pass through wholesale price increases rather than absorb them. However, the ability for Chorus to use copper pricing to force migration or materially increase profits is constrained by the regulated pricing framework, which limits increases to legislated CPI adjustments.

Wholesale 4G/5G FWA and satellite service pricing

We do not currently have information on the pricing of wholesale 4G/5G FWA services or wholesale satellite broadband services as these services are subject to private contractual terms agreed between wholesalers and retailers.

Rural wholesale summary

Wholesale regulation is focused on access where competition is limited. Rural areas have also benefited from Crown broadband investments over the past decade, which include wholesale access requirements that support service availability and competition in these areas. In 2025, rural copper connections declined sharply as households moved to alternative technologies. Copper wholesale prices rose by 2.15% following annual CPI adjustments.

149 Sourced from Chorus's website.

150 Home Fibre Starter had a wholesale price of $38.00 as at June 2025 if the retailer prices the product at or below the $65.00 retail price cap. If a retailer prices the product above the price cap the wholesale cost is $53.96.

Innovation and change in satellite and mobile wholesale services accelerated over the past year. The rapid growth of LEO satellite services appears to have contributed to most GEO satellite retailers exiting the market, leaving only one provider serving new customers. All three MNOs have entered partnerships with satellite operators to introduce D2C services, with One NZ launching first. These developments reflect a wider shift by MNOs, who are repositioning wholesale and retail offerings to meet connectivity needs in infrastructure-constrained areas, rather than investing in additional physical infrastructure.

Retail | Hoko ā-toa

Retail telecommunications markets are the markets through which consumers can purchase services that use the infrastructure described previously. These services are packaged and marketed to consumers by competing firms/brands. The rural retail market structure has been shaped significantly by past wholesale access regulation and, more recently, government rural broadband programmes, spectrum allocation decisions and the emergence of new satellite offerings.

This section examines the rural retail market structure, concentration and associated trends, including change in market share by providers and technologies. It compares the uptake of certain technologies on a per capita basis to other OECD nations. It also outlines the range of retail offers available from a range of rural providers, before exploring the differences and changes in retail prices, both between technologies and compared to urban consumers.

There are two distinct types of RSPs operating in the rural broadband market:

- Vertically integrated providers that leverage their own networks to supply retail services, and may also supplement these with wholesale inputs from Chorus or satellite providers.
- Wholesale-dependent RSPs that rely entirely on third-party wholesale inputs, including Chorus fixed networks, satellite services, or 4G/5G FWA products supplied by MNOs (including RBI-funded infrastructure).

Market structure and concentration

Retail market concentration

Market concentration—or the extent to which a market is dominated by a few firms—is a key structural characteristic that influences competition and consumer choice. We note this will likely not reflect the options available to each rural consumer, who can have limited choice such as only one technology and provider at their address.

There are several ways to look at market concentration. We have chosen to use both HHI and a simpler market concentration ratio (CR):

- HHI analyses market shares of each firm in a market to determine a value of market concentration—an HHI between 1,500 and 2,500 indicates moderate concentration, whereas values above this indicate high concentration.
- The market concentration ratio looks at the market shares of the largest providers relative to the total market share. The analysis in this report uses CR3, which measures the market share of the three biggest providers in a market, and CR5, which measures the five largest providers in a market.

As at June 2025, we estimate that the residential fixed broadband market in rural areas was moderately concentrated with a CR3 of 68%, a CR5 of 79% and an HHI of 1,685 (Table 4.4).

Table 4.4 Market concentration ratio and HHI

Metric	Urban (residential)	Rural (residential)	National (residential and business)
CR3	72%	**68%**	68%
CR5	89%	**79%**	82%
HHI	2,007	**1,685**	1,782

Source: Commission analysis of NIFF, Chorus and Commission data

We have seen a small increase in rural concentration over the previous year as Starlink continued to increase its market share. While this growth may reflect improved service availability and performance for some rural users, it may also increase concentration over time. It is important to note this level of concentration can vary across different rural regions as WISPs often operate regional networks, leading to greater competition in some areas, such as where multiple WISPs overlap.

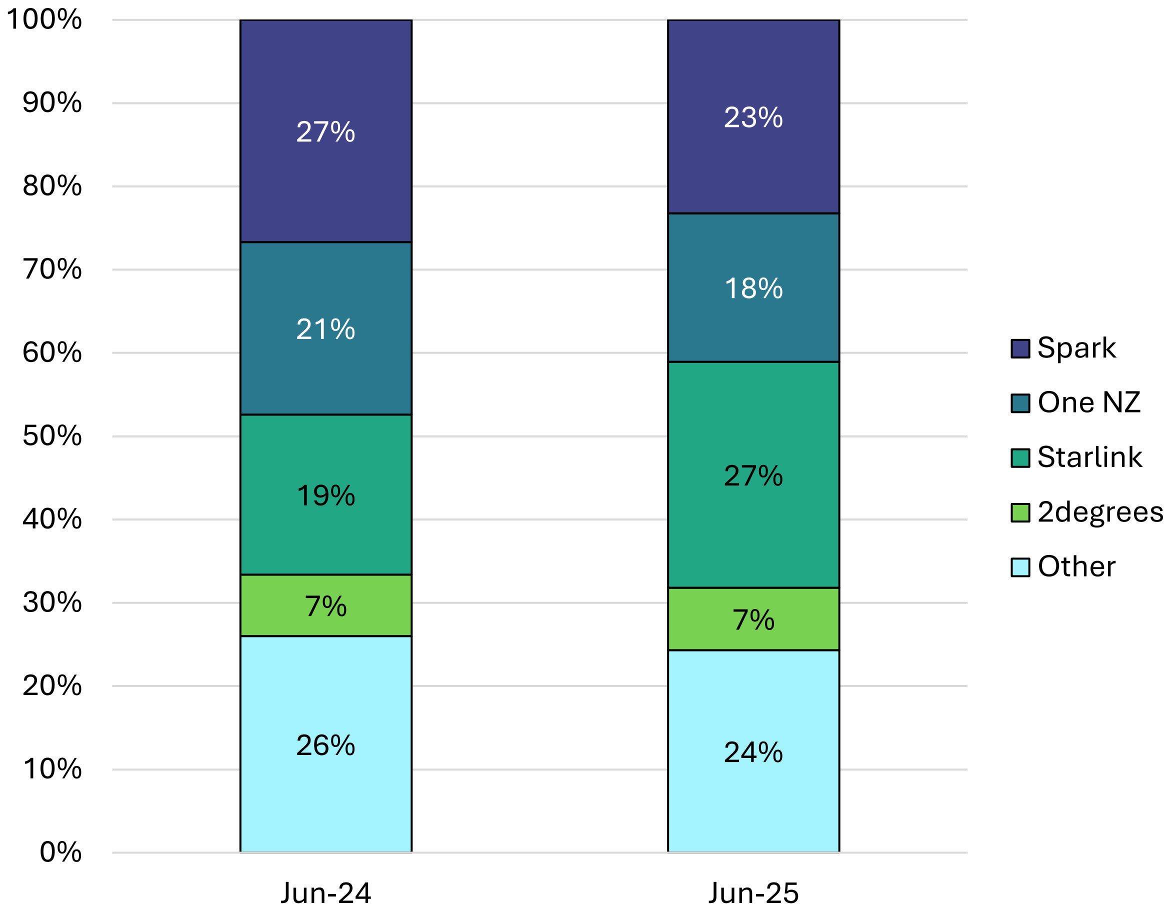
The rural and urban broadband markets both fall within the general category of moderate concentration, but there remained a meaningful difference between them. The urban residential broadband market shows a higher level of concentration, with a CR3 of 72%, a CR5 of 89% and an HHI of 2,007. This largely reflects the dominance of regulated fibre as a technology in urban areas. The rural market, by comparison, is less concentrated because there is a higher level of infrastructure competition.

Based on Starlink's growth trajectory, we expect the rural broadband market to become more concentrated as consumers continue to move off rural copper and onto wireless technologies. However, the launch of Amazon's LEO service in 2026 is likely to slow Starlink's momentum by introducing a competing LEO satellite provider.

Rural retail market share

Figure 4.9 shows the residential retail broadband market in rural areas.

Figure 4.9 Retail residential broadband market share in rural areas



Source: Commission data

As at June 2025, four large RSPs—Spark, Starlink, 2degrees and One NZ—accounted for 68% of the market. The ‘other’ category made up 24% of the rural residential broadband market at the same date.

The rural market includes a larger share of these smaller providers than the urban market. These providers include retailers offering services over Chorus’s copper network, MNOs that supply 4G/5G FWA broadband, and WISPs that operate regional NC FWA and fibre networks. Starlink became the largest provider in rural areas, increasing its market share from 19% in June 2024 to 27% in June 2025. This growth reflects the continued expansion of LEO satellite connections in rural New Zealand, primarily driven by consumers coming off rural copper. Spark and One NZ, the two incumbent providers that traditionally held large shares of copper and 4G FWA customers, continued to maintain significant rural market presence, but their share declined as more customers migrated to alternative technologies.

2degrees had a smaller rural presence because it entered the market much later than Spark and One NZ, which had already built extensive rural networks and large customer bases before 2degrees began offering 4G FWA services. Vocus, which merged with 2degrees in 2022, did have an established base of rural copper customers.

Starlink's strong uptake over the past year has been supported by its position as the only LEO satellite provider operating in New Zealand. While this has improved connectivity for many rural consumers, most of these gains are coming from this single provider which could raise concentration concerns in the future.

Starlink has taken a more active approach to attracting new customers ahead of Amazon's expected entry into the New Zealand market. For example, Starlink introduced free hardware rental with its residential plan, which removes what had previously been a significant upfront cost for customers (up to $599).[151]

Starlink also expanded its plan options, including the introduction of a deprioritised tier that was priced competitively with existing FWA products. In 2026, Starlink further revised its product structure by introducing three distinct speed tiers. These developments, and their implications for market dynamics, will be discussed in next year's report.

Size of rural RSPs

Table 4.5 shows the customer base for the rural providers covered in our reporting.

Table 4.5 Size of rural RSPs

Number of rural residential retail customers	Number of providers
>50,000	2
10,001–50,000	2
5,001–10,000	3
1,000–5,000	14
<1,000	>30

Source: Commission data

The rural retail broadband market is dominated by several large incumbent providers with over 10,000 customers using services over LEO satellite, copper and 4G/5G FWA networks.

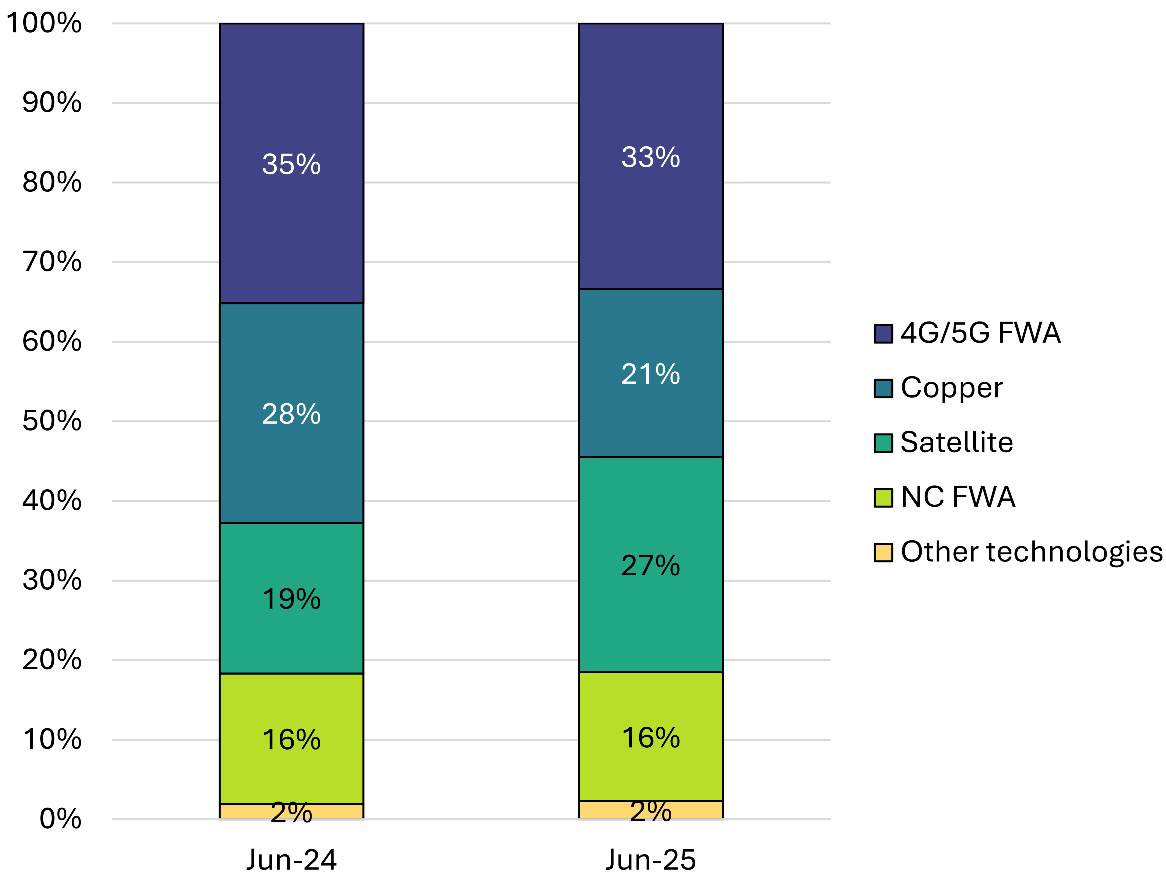
151 Providers' websites.

Starlink has also seen significant LEO satellite connection growth in recent years to compete with the traditional incumbent providers. As at December 2024, New Zealand ranks first in the OECD for satellite broadband, on a per capita basis, with 1.3 subscriptions per 100 inhabitants.[152]

Retail share by technology

Figure 4.10 shows the split of technology across rural residential connections.

Figure 4.10 Estimated rural residential broadband connections by technology type



Source: Commission analysis of Chorus and Commission data

Copper broadband connections continued to decline significantly over the past year, falling 24% from 74,000 in June 2024 to 56,000 in June 2025 as consumers shifted to higher-performing technologies, such as satellite and FWA broadband.[153]

152 OECD " Broadband statistics – Satellite subscriptions", https://www.oecd.org/en/topics/sub-issues/broadband-statistics.html.

153 Chorus "Q4 FY25 Connections Update" (July 2025) page 7, https://api.nzx.com/public/announcement/454893/attachment/447309/454893-447309.pdf.

While 4G/5G FWA remained the most widely used broadband technology in rural areas, satellite connections continued to grow strongly following the entry of Starlink in 2021. Starlink's expansion saw satellite increase its share of the rural broadband market from 19% to 27% over the year. Nationally, the total number of satellite broadband connections (residential and business) rose from 56,000 to 85,000, an increase of 52%.[154] Around 72,000 of these were rural residential fixed connections.[155]

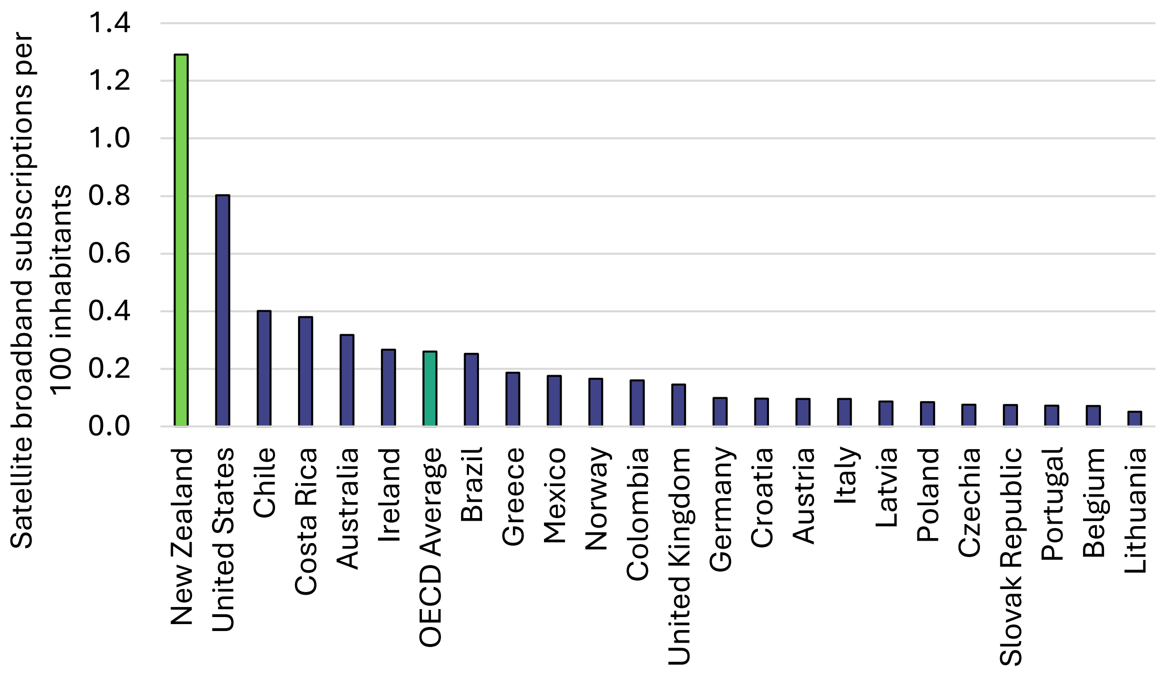
The Commission is aware that some rural households rely solely on mobile data for home internet and intends to undertake further analysis of this issue.

OECD technology comparisons

New Zealand has the third highest number of FWA connections for every 100 people in the OECD, with 7.58 connections against an average of 1.95.[156] FWA plans represent an attractive option for price conscious and rural consumers where availability and affordability of alternatives can be limited.

Figure 4.11 shows that New Zealand also had the highest number of satellite connections per 100 inhabitants of any OECD country as of December 2024.[157]

Figure 4.11 OECD satellite broadband subscriptions per 100 inhabitants (December 2024)



Source: OECD (December 2024)

154 Commission data.
155 Commission data.
156 OECD "Broadband statistics", https://www.oecd.org/en/topics/sub-issues/broadband-statistics.html.
157 Ibid.

Satellite connections have continued to grow significantly since Starlink entered the New Zealand market in 2021. Most of the satellite connections in New Zealand are LEO satellite, as opposed to GEO satellite.

New Zealand's high rate of LEO satellite uptake is likely influenced by a combination of limited alternative broadband options and the country's early inclusion in initial LEO satellite constellation deployment paths, which resulted in earlier coverage and service availability than in many other markets.

Retail offers

RSP offers in the retail telecommunications market are made up of several key elements:

- Available network infrastructure (either through ownership or wholesale regulated/commercial access terms). In rural areas, this covers rural fibre, copper, 4G FWA, NC FWA and satellite.
- Service performance characteristics such as download speeds, upload speeds, latency and data caps.
- Service add-ons (or bundling) such as subscription services or energy.

Network infrastructure

> It's important to note that our definition of "rural plans" is a constructed grouping for analysis purposes. While we use coverage of regulated fibre service providers' fibre as the practical boundary, network footprints and provider coverage do not align perfectly with this definition.

As shown in Table 4.6, most major RSPs offer a 4G FWA service. These services cover some rural customers, mainly those in the urban fringe.

Table 4.6 Residential technology offerings in rural areas by major RSPs with a national presence

RSP	Copper	4G FWA	4G FWA (rural)	LEO satellite
Spark	✓	✓	✓	
Spark (Skinny)	✓	✓		
One NZ	✓	✓		
One NZ (Farmside)	✓	✓	✓	
2degrees	✓	✓	✓	
Starlink				✓

Source: Commission data

Spark, One NZ (through its Farmside brand) and 2degrees offered rural 4G FWA plans and utilise the Rural Connectivity Group (**RCG**) towers funded through the RBI. However, these rural 4G FWA plans cost more than the urban equivalent plans.

Some RSPs offered copper broadband connections, while other RSPs did not offer any copper plans, or only offered copper in limited cases. In areas where alternative technologies are available, copper broadband and landline products are becoming less available, as the network is phased out.

Along with these national brands, some specialist rural providers offer a range of technology options, including the WISPs (Table 4.7). This data was sourced from both the WISPA website and Commission data requests. However, it may not be exhaustive, and additional WISPs could be operating that are not captured in this list.

As well as operating their own regional networks, WISPs also tend to resell 4G/5G FWA and fibre services (where available). WISPs are also starting to build and operate their own rural fibre networks. Those providers who offer NC FWA are marked with NC, those who offer fibre are marked with F, and those who offer 4G/5G FWA are marked with 4G/5G.

Table 4.7 WISP networks by region

Region	WISPs
Northland	Stratanet (NC, F), Uber (NC, F)
Auckland	Stratanet (NC, F), Uber (NC, F)
Waikato and Coromandel	Aonet (NC, F), Full Flavour (NC, F, 4G/5G), Lightwire (NC, F), Purelink (NC, F, 4G/5G), Wireless Dynamics (NC, F, 4G/5G)
Bay of Plenty	Evolution Wireless (NC, F), Full Flavour (NC, F, 4G/5G), Lightwire (NC, F), RexNetworks (NC, F, 4G/5G), WiFiConnect (NC, F)

Region	WISPs
Gisborne and East Coast	Evolution Wireless (NC, F), Gisborne.net (NC, F)
Taranaki	Primo (NC, F, 4G/5G)
Hawke's Bay	Aonet (NC, F), Engage Technology (NC, 4G/5G), Evolution Wireless (NC, F), Gisborne.net (NC, F), InspireNet (NC, F)
Whanganui and Manawatū	Aonet (NC, F), InspireNet (NC, F), WIZ Wireless (NC)
Wellington	InspireNet (NC, F), WIZ Wireless (NC)
Tasman	Kiwiwifi (NC, F), Thepacific.net (NC, F, 4G/5G)
Marlborough	Accelerate Wireless (NC), Kiwiwifi (NC, F), Thepacific.net (NC, F, 4G/5G)
Canterbury	Amuri (NC, F, 4G/5G), Matnet (NC, 4G/5G), Netspeed (NC, F, 4G/5G), Ultimate Broadband (NC, F, 4G/5G), Yonder Wireless (NC)
West Coast	Kiwiwifi (NC, F), WifiConnect (NC, F)
Otago	CountryNet (NC), NetSpeed (NC, F, 4G/5G), Unifone (NC, F, 4G/5G), Yrless (NC, F, 4G/5G)
Southland	VelocityNet (NC, F, 4G/5G), Yrless (NC, F, 4G/5G)

Source: Wireless Internet Service Providers Association of New Zealand (**WISPA NZ**) and Commission data[158]

Table 4.8 shows the number of providers offering services over different technologies in rural areas.

Table 4.8 Technology offerings by RSPs in rural areas

Technology	Number of RSPs
4G FWA	Around 22
5G FWA	3
NC FWA	Around 27
ADSL/VDSL copper	Around 40
GEO satellite	1
LEO satellite	1

Source: Commission data

158 This data was sourced through the WISPA NZ website and Commission data requests. Other WISPs may be operating that are not included on this list.

Consumers had a larger choice of providers for 4G/5G FWA (mostly RBI plans) and legacy copper services. NC FWA services were offered by WISPs that operate regionally. This means that, while there were, at a minimum, 25 WISPs operating in rural areas, consumers may only have had one WISP option available.

Some WISPs reduced operations, or exited the market, with Evolution Networks entering liquidation in 2024, highlighting the financial pressure faced by smaller regional providers. More generally, providers of NC FWA services face increasing competitive pressure from Starlink and 4G/5G FWA offers. While these technologies can improve performance and coverage, they may also put pressure on smaller local providers, raising the risk of consolidation or exit.

Service characteristics—speed

> Speed differentiation on broadband plans is something that RSPs can market and sell when the underlying technology has the headroom. In such cases, the RSP can create different speed tiers to enable price differentiation across consumer segments.

While we see speed differentiation for fibre in urban areas, most of the technologies available in rural areas are simply marketed as full speed—reflecting the speed limitations of most of the underlying technologies (Table 4.9).

Table 4.9 Speed tiers by technology

Technology	Speed tiers
Copper	No—although, where available, VDSL is faster than ADSL
4G FWA	No
5G FWA	No
NC FWA	Some providers
GEO satellite	Yes
LEO satellite[159]	No—deprioritised plans are available that may see slower speeds during peak hours

Source: Commission data

159 Starlink has since launched a new suite of residential broadband services which are differentiated by speed.

Service characteristics—data caps

Data caps are used to manage end-user behaviour in locations where the technology and/or network capacity is more limited.

As shown in Table 4.10, data caps were a common feature of 4G FWA and NC FWA plans. NC FWA providers often chose to provide unlimited data but use speed tiers to provide different plans.

Table 4.10 Data caps by technology

Technology	Data caps imposed
Copper[160]	No
4G FWA	Yes
NC FWA	Yes
GEO satellite	Yes
LEO satellite	No

Source: Commission data

Table 4.11 demonstrates that rural providers offered a variety of data caps to cater to consumers' different internet needs.

Table 4.11 FWA data caps in rural areas by RSP

RSP	Technology	Data cap options	Unlimited data plan available?
Spark	4G/5G FWA	60GB, 200GB	✓
One NZ (Farmside)	4G/5G FWA	300GB	✓
2degrees	4G/5G FWA	170GB	
AoNet	NC FWA		✓
Evolution Wireless	NC FWA	80GB, 120GB	✓
Gisborne.net	NC FWA		✓
InspireNet	NC FWA	150GB, 300GB, 1,000GB	✓
Lightwire	NC FWA	90BG, 300GB	✓
Primo	NC FWA	200GB, 400GB, 800GB	✓
Uber	NC FWA	30GB, 180GB	✓

160 While some caps on data caps exist, these plans were uncommon.

RSP	Technology	Data cap options	Unlimited data plan available?
Ultimate Broadband	NC FWA		✓
Unifone	NC FWA		✓
Yrless	NC FWA		✓

Source: Commission data[161]

The availability of rural unlimited data plans has become more common across the three MNOs and the larger WISPs, reflecting consumers' increased data needs and competition from competing technologies (eg, LEO satellite). 2degrees was the only MNO not providing an unlimited data rural 4G FWA plan.

Table 4.12 shows the different data caps offered by satellite providers.

Table 4.12 Satellite data caps by RSP

RSP	Technology	Data cap options	Unlimited data plan available?
Starlink	LEO satellite	N/A	✓
Gravity	GEO satellite	120GB, 180GB	✓

Source: Commission data

Starlink did not use data caps on its plans but offered a deprioritised plan (Residential Lite) that may provide lower speeds (than the Residential plan) during peak periods of demand.

Service add-ons

Bundling

> Bundling of telecommunications services (fixed and mobile services) or bundling of telecommunications services with non-telecommunications services (video streaming subscription, energy) is promoted by providers as offering single billing convenience and cheaper prices.

161 WISPs may also retail 4G/5G FWA plans with different data cap options.

Our 2023 Rural Connectivity Study showed that rural consumers were significantly less likely to bundle their broadband with electricity than urban consumers. Bundling options remained more limited outside urban areas because major energy bundlers have focused on fibre retailing. Our analysis of broadband connections from energy gentailers as at June 30 2025 showed that this trend continued, with 95% of all broadband connections retailed by energy gentailers being fibre connections, 4G FWA making up 3% and Copper being the remaining 2%. Of the total connections, 97.5% were in urban areas and 2.5% were in rural areas.

Landlines

Rural consumers were more likely than their urban counterparts to still have a landline.[162] Rural areas typically have poorer mobile coverage than urban centres, which means consumers in those areas may be more likely to see a landline as a guaranteed voice service.

Over time, we have seen consumers (both urban and rural) transition away from traditional landline-based voice services to cheaper and better-performing options. Many have moved to mobile services, while others rely on internet-based over-the-top applications such as Facebook Messenger or WhatsApp. This shift away from landlines has been far more pronounced in urban areas, where consumers benefit from stronger mobile coverage and more affordable, higher-performing broadband options.

In June 2025, the number of residential landlines nationwide decreased by around 70,000 (or 15%) to 395,000.[163] We estimate that 31% of these landlines were in rural areas. This rate of decrease has been consistent over the last few years.

The number of residential landlines using powered voice services (such as Spark's Public Switched Telephone Network (**PSTN**)) decreased at an even higher rate, down 38% to 28,000.[164] Spark began retiring its PSTN in 2017, with an initial goal of completing the nationwide decommissioning by 2024. However, progress was slowed by factors such as the COVID-19 pandemic. As at June 2025, around 74% of its PSTN switches had been decommissioned.[165] Consumers who still wanted a landline were required to change to an alternative broadband and voice service such as VoIP.[166]

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162 While more landlines exist in urban areas, rural consumers were more likely to choose to have a landline. Commission data.

163 Commission data. This includes both line-powered voice services (for example, those using Spark's PSTN) and non-line powered voice services (for example, VoIP).

164 Annual Industry Questionnaire.

165 Spark "Spark Annual Report FY25" page 31, see https://investors.sparknz.co.nz/FormBuilder/_Resource/_module/gXbeer80tkeL4nEaF-kwFA/doc/FY25_Annual_Report.pdf.

166 Ibid.

Customer premises equipment

Customer premises equipment (**CPE**) refers to the devices a telecommunications provider supplies to customers to access services, such as modems, routers and fibre or FWA equipment. CPE costs include the purchase, delivery, setup and ongoing support of this equipment, and can form a significant part of a provider's service costs.

Table 4.13 highlights clear disparities between urban and rural connectivity.

Table 4.13 CPE costs

Technology	Area	Installation and CPE costs	Monthly rental pricing
LEO satellite	Rural / urban	$449–$599	$0
GEO satellite	Rural / urban	$799–$1999	N/A
4G FWA	Rural	$0–$199	$5
NC FWA	Rural	$0–$599	$0
Fibre	Urban	$0–$199	$5
4G FWA	Urban	$0–$199	$5
5G FWA	Urban	$0–$199	$5
ADSL/VDSL	Urban	$0–$165	$5

Source: Commission analysis from data taken from provider websites

Rural users generally had fewer technology choices and often, as a result, higher upfront costs. Satellite has the highest upfront costs but providers periodically offer zero-upfront or subsidised hardware deals to reduce cost barriers. By contrast, urban users typically benefited from low-cost installation across multiple technologies such as fibre and 4G/5G FWA.

Retail pricing

4G FWA

Rural 4G FWA broadband continued to cost noticeably more than equivalent services in urban areas, and this pattern held across every major data-cap tier, with the price gap widening as data allowances increased (Table 4.14). Even at the lower end of the market, the prices of rural plans with modest data caps sat well above their urban counterparts.

Table 4.14 Rural vs urban 4G FWA prices

Data cap group	Rural—average monthly price	Urban—average monthly price	Difference
≤120GB	$90	$55	$25–64% extra for rural
121–299GB	$103	$60	$43–72% extra for rural
300GB+	$123	$64	$59–94% extra for rural
Unlimited	$130	$76	$54–71% extra for rural

Source: Commission analysis of provider website data[167]

These differences reflect structural challenges in rural connectivity (such as lower population density, higher backhaul costs and greater reliance on FWA technologies), and they translate directly into lower satisfaction with pricing among rural consumers. The widening gap for higher data caps is particularly important, as these tiers tend to include households with multiple users, remote workers or high streaming demands. For these groups, rural pricing creates an affordability constraint that is not experienced to the same extent in urban areas, reinforcing the importance of monitoring rural retail pricing as infrastructure and competitive dynamics continue to evolve.

Satellite

Satellite remained the fastest-growing rural broadband technology, although the pace of growth slowed compared with 2024. Starlink's Residential plan sold at $159 per month, while its lower-cost Residential Lite plan was $79 per month. Starlink did not have a price premium for rural areas, but it did apply congestion pricing in high-density areas nearing the network capacity. These services continued to be attractive alternatives in areas lacking dependable coverage or where older copper lines running long distances limited performance. With Amazon LEO expected to enter the market by late 2026, competitive pressure on Starlink is likely to increase further.

[167] We note that we understated last year's percentage difference between urban and rural plans. We corrected our methodology this year.

WISPs

NC FWA services delivered by WISPs continued to be an important part of the rural retail market in 2025, particularly where localised support is valued. WISP plans ranged from $40 to $250 per month. The wide pricing variation reflects factors such as speed, data allowances, backhaul cost structures and regional geography. Possibly in response to increasing competitive pressure from Starlink's improving performance and predictable subscription pricing, several WISPs invested in incremental fibre builds or radio upgrades to maintain competitiveness.

For rural households able to access fibre (primarily via this WISP-built fibre or recent LFC extension builds) retail prices tended to fall within $65–$155 per month.[168] These were generally higher than urban Fibre 50 (now Fibre 100) and Fibre 300 (now Fibre 500) plans, which range between $55 and $110 per month nationwide. While priced higher than typical urban fibre plans, these plans compare favourably with other rural broadband options by providing materially better speed and reliability at similar price points and reflect the difference in economics between urban and rural deployments.

Copper

Use of the copper network continued to decline, with its share of rural broadband connections falling as consumers migrated to higher-performing alternatives.

Table 4.15 shows the clear increase in rural copper broadband prices.

Table 4.15 Retail copper broadband monthly rental prices in rural areas (ex. landline)

RSP	June 2023	June 2024	June 2025
Spark	$112	$112	$117
One NZ	$94	$92	$100
2degrees	$94	$95	N/A
Slingshot	$99	$77	$99
Skinny	$80	$75	$80

Source: Provider websites and Commission data

[168] In the next annual Specified Fibre Area (**SFA**) assessment, these LFC extensions will be classified urban—they were rural for this AMR due to the timing of the assessment versus our data collection for this report.

The increase in prices over time may reflect a deliberate pricing signal by retailers, as copper becomes less commercially attractive and more costly to maintain, to encourage migration to newer and more profitable technologies. In particular, higher copper prices can act as a nudge for rural consumers to shift toward 4G/5G FWA technologies, where retailers face lower costs and have greater pricing and product flexibility.

Landlines

Few landline-only services remained available to consumers in rural areas. Instead, landlines were often able to be added to an existing broadband connection for an extra $10 or $15 a month (Table 4.16).

Table 4.16 Summary of retail voice plan costs by technology

Voice technology	Monthly price	NZ landlines c/min	NZ mobiles c/min	Notes
Copper (Voice only)	$68.70	$0.24	$0.39	Spark offers this, but only where a 4G/5G FWA or fibre landline is not available
Copper (Bundled)	$80–$127	$0–$0.26	$0.16–0.39	–
FWA (Voice only)	$50	$0.24	$0.39	Includes 50GB data but advertised as an urban voice only service
4G FWA (Bundled)	$60–$94	$0–$0.26	$0.20–0.48	–
4G FWA 'rural' (Bundled)	$96–$124	$0–$0.24	$0.20–0.39	Identified by plans with rural in the name or indicated for rural consumers
5G FWA (Bundled)	$75–$90	$0.06–0.26	$0.20–0.39	–
NC FWA (Bundled)	$70.50*–$99	$0–$0.10	$0–$0.39	–
WISP fibre (Bundled)	$75–$129	$0–$0.26	$0–$0.48	Very limited rural availability
HFC (Bundled)	$83	$0.26	$0.39	Very limited rural availability

Voice technology	Monthly price	NZ landlines c/min	NZ mobiles c/min	Notes
LEO satellite (Bundled)	$93.89*	$0.06	$0.20	–

* Includes a VoIP landline connection supplied by a different provider to the broadband connection

Source: Provider websites in May 2025[169]

In rural areas, consumers generally faced higher landline prices and fewer options than their urban counterparts. Landline services, bundled with a broadband connection, typically started at around $70 per month.[170] Some consumers on the urban fringe may be able to access 'urban' 4G/5G FWA plans, which would reduce the cost of a landline service to around $50. However, many rural consumers remain constrained by the availability of different technologies, with some having access only to satellite services or a very limited range of providers.

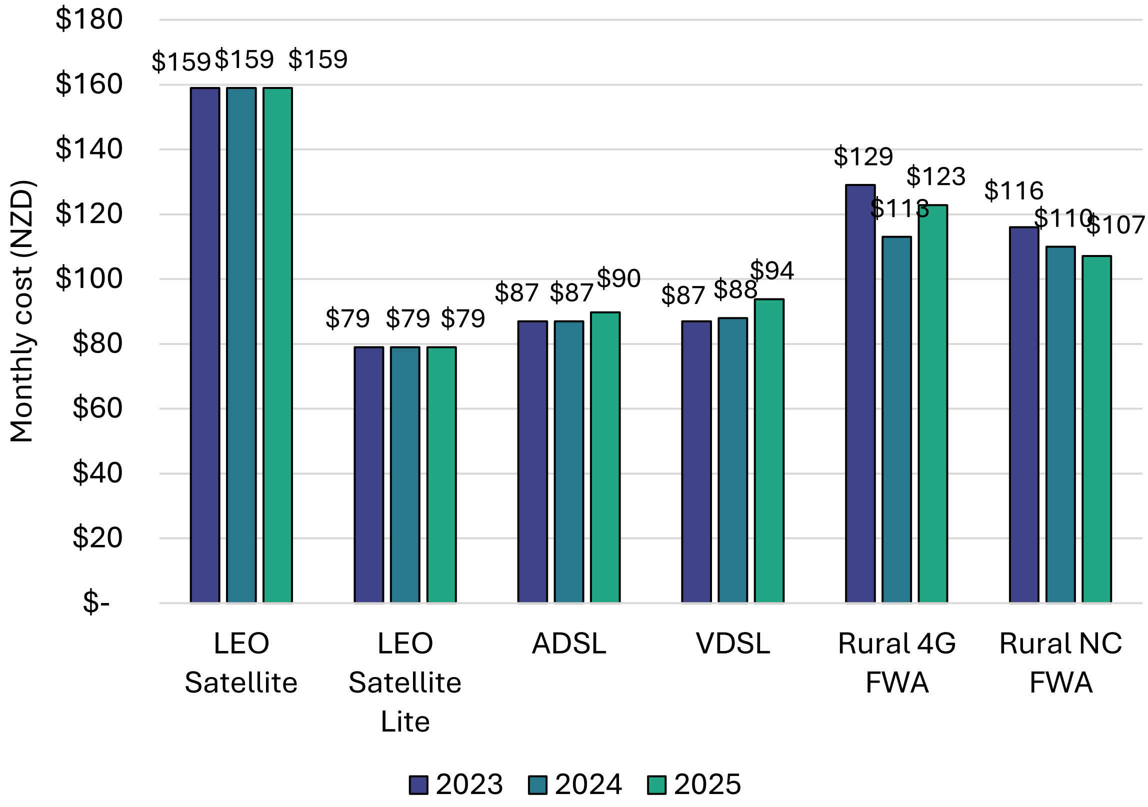
Rural price comparison—2023 to 2025

Rural broadband prices showed mixed trends between 2023 and 2025 (Figure 4.12). Starlink Residential pricing remained unchanged over the period, while prices for legacy copper services (ADSL and VDSL) have increased modestly. Rural FWA prices fluctuated, with some reduction in 2024 followed by increases in 2025.

[169] Pricing data taken from the websites of 2degrees, Amuri, Farmside, Gravity, Inspire Net, Kiwi Voip, Kogan, Lightwire, Mercury, Nova, One NZ, Rocket Mobile, Slingshot, Spark and Starlink on 8 May 2025. There were no rural voice-only plans available over NC FWA, fibre or LEO satellite so these options were not included.

[170] Some WISPs may offer slightly cheaper alternatives in specific regions.

Figure 4.12 Rural broadband prices on different technologies over time



Source: Commission data and provider websites

Rural retail summary

Overall, the 2025 rural retail market remained defined by a widening technology mix and growing competition at the performance end of the market, even as price disparities relative to urban areas persisted. LEO satellite continued to reshape expectations of rural broadband speed and reliability, while 4G/5G FWA remained a popular mass-market option due to footprint and ease of installation.

While the overall market remained moderately concentrated, with Spark, One NZ and 2degrees together supplying around half of rural broadband customers in 2025, the increasing presence of LEO satellite and regionally operated WISPs helped maintain competitive pressure across a wider set of rural locations.

Retail pricing showed little convergence with urban markets, suggesting affordability will remain a key issue for households outside the fibre footprint. The expansion of 5G FWA and the anticipated entry of new LEO satellite constellations, such as Amazon LEO, indicate that competitive pressure may increase over the coming years, but the full impact on rural pricing and retail behaviour is yet to be seen.

Consumer | Kaiwhakapeto

Consumers of telecommunications services are offered a wide range of retail offers that are shaped by the market structure. Network infrastructure, its capabilities, regulatory settings and competition all impact the pricing, quality and variety of retail offers. How well consumers understand and respond to these offers depends on the information available to them, as well as their own preferences and usage.

This section examines rural consumer experience with their broadband services. After looking at relative affordability, we analyse consumer satisfaction at a headline level across key service dimensions. We look at the difference in satisfaction between rural and urban consumers before highlighting key switching behaviour.

Affordability

Affordability is a key dimension of rural connectivity outcomes, shaped by the interaction between broadband prices, household incomes and the availability of alternative services. Rural households typically face higher broadband costs than urban households, which can place greater pressure on household budgets where incomes are lower or choice is more limited.

This section examines rural broadband affordability across New Zealand, comparing rural and urban prices and assessing how broadband costs vary relative to household income across regions.

Table 4.17 compares average monthly broadband prices for rural and urban households by region, highlighting the extent of the rural–urban price gap across New Zealand. The table shows a weighted average price of broadband in each region. To do this, we applied June 2025 prices to every recorded rural and urban connection and then averaged the results. This approach reflects what households were more likely to be paying in practice (compared with a simple average of advertised plan prices).

Table 4.17 **Average rural and urban broadband price**

Region	Rural	Urban	Difference
Auckland	$80.89	$71.74	$9.15—13% extra for rural
Bay of Plenty	$85.04	$73.11	$11.93—16% extra for rural
Canterbury	$81.72	$73.92	$7.80—11% extra for rural
Gisborne / Hawke's Bay	$81.97	$72.73	$9.24—13% extra for rural
Manawatū-Whanganui	$86.33	$73.28	$13.05—18% extra for rural
Northland	$88.96	$73.08	$15.88—22% extra for rural
Otago	$84.19	$73.35	$10.84—15% extra for rural
Southland	$80.80	$72.50	$8.30—11% extra for rural
Taranaki	$96.06	$75.38	$20.68—27% extra for rural
Tasman / Nelson / Marlborough / West Coast	$83.56	$72.25	$11.31—16% extra for rural
Waikato	$93.34	$73.86	$19.48—26% extra for rural
Wellington	$85.66	$71.91	$13.75—19% extra for rural
Weighted Average	**$85.77**	**$72.65**	**$13.12—18% extra for rural**

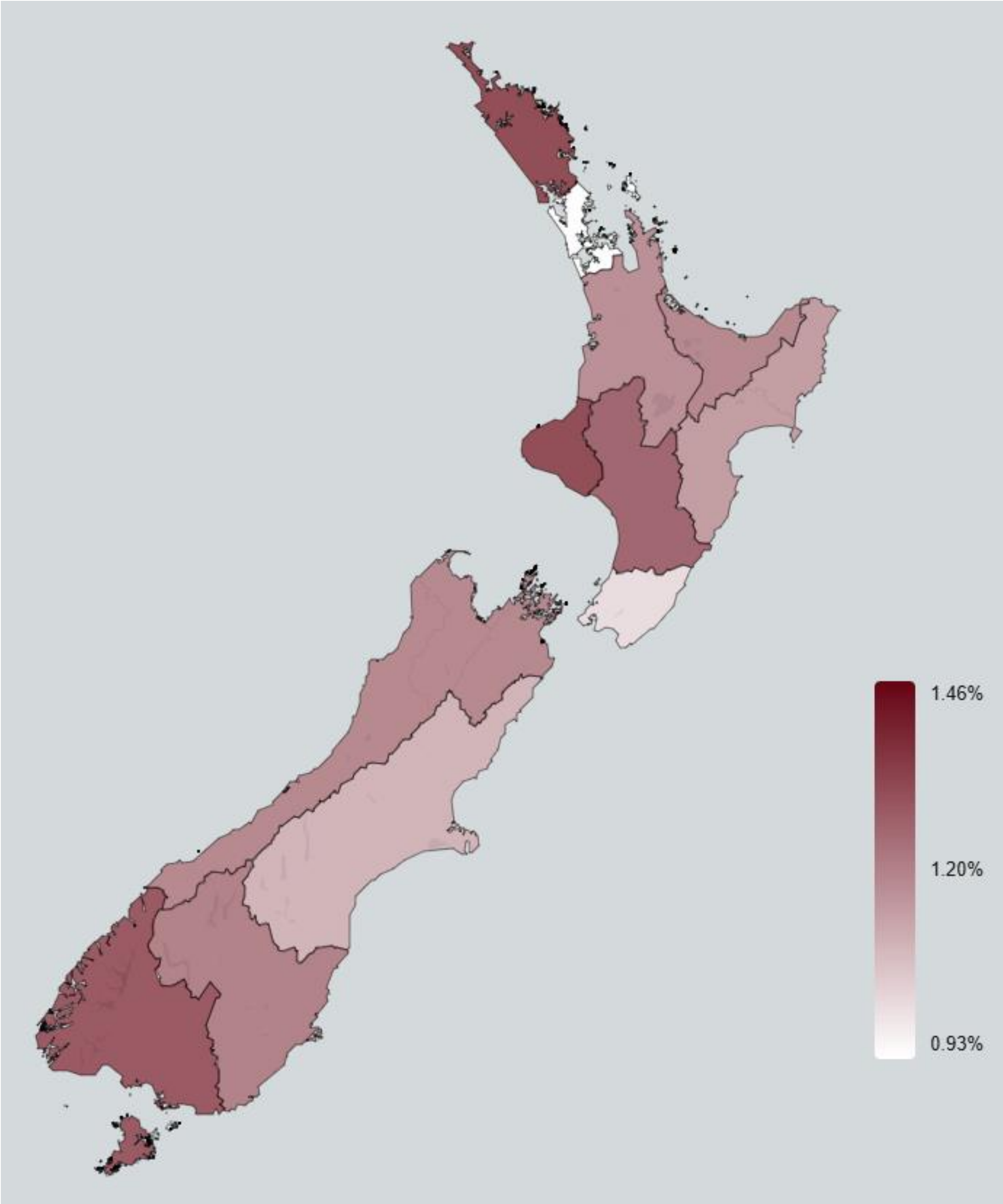
Source: Commission data

The table shows that rural households consistently pay more for broadband than urban households across every region, highlighting a widespread and persistent rural price premium. The difference is $13 per month on average but varies widely across the country. As discussed previously, this also raises the cost of accessing a landline for rural households.

Figure 4.13 shows how affordable a standard rural broadband connection is across different regions, measured as the percentage of average household income required to purchase it. Lighter-shaded areas indicate regions where households need to spend a smaller share of their income on broadband, meaning it was relatively more affordable. Darker-shaded areas show where broadband costs represent a higher proportion of income, indicating lower affordability.

To produce this "heat map", we compared the price of a standard rural broadband connection with average household income in each region. The broadband price was expressed as a percentage of average household income for each region, allowing for a consistent comparison of relative affordability across the country.

Figure 4.13 Percentage of average household income to purchase broadband by region



Source: Commission analysis of Stats NZ data[171]

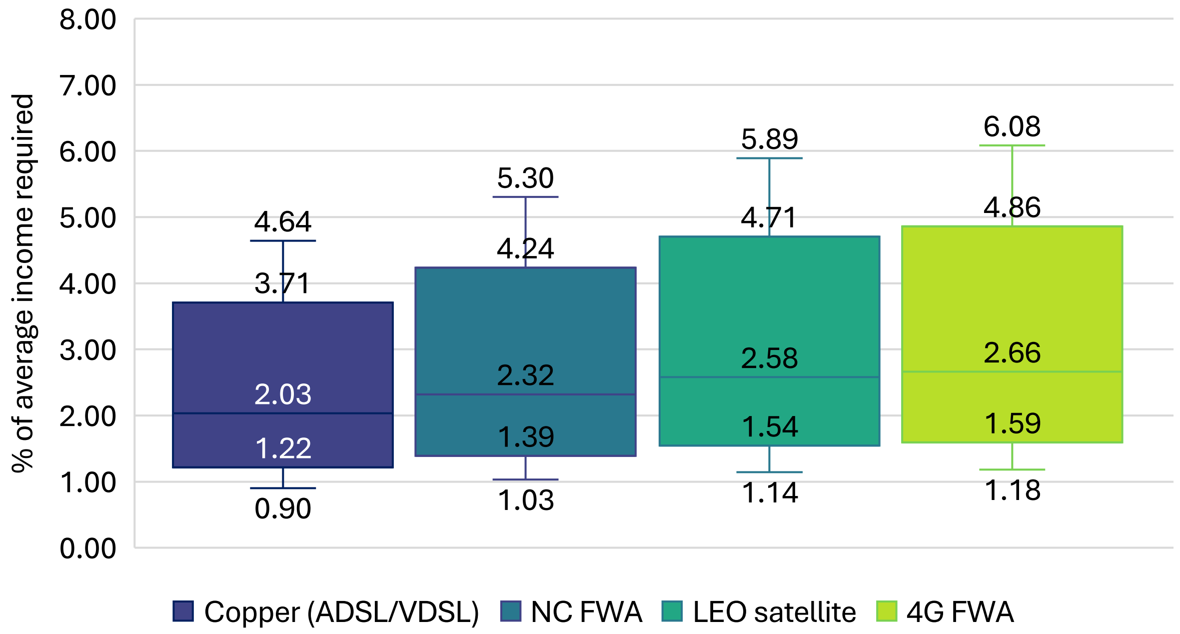
[171] Note: Results are not directly comparable with last year, as the methodology has been refined. This year's analysis uses connection-level data and presents rural and urban areas separately. These estimates are based on mean prices rather than median prices, so they may be influenced by outliers (eg, very high-priced connections).

The map shows that broadband affordability pressures were unevenly distributed across rural New Zealand, with some regions facing substantially higher cost burdens relative to household income.

Northland stands out as one of the least affordable regions, reflecting the combined effect of relatively high rural broadband prices and lower average household incomes. Taranaki also shows elevated affordability pressure, consistent with the large rural–urban price gap observed in the region. In Gisborne, affordability challenges remained evident despite more moderate absolute broadband prices. Tasman (being a grouping of Nelson, Marlborough and the West Coast) similarly experiences higher affordability pressure, reflecting reliance on FWA and satellite connectivity and more limited access to lower-cost fibre options.

Figure 4.14 shows the estimated share of household income required to purchase different rural broadband technologies across income quintiles. Affordability pressures are greatest for lower-income households (the lowest 20% of income households are shown by the highest point for each technology in Figure 4.14), with FWA and satellite services generally requiring a higher proportion of income than legacy copper services, where available. These estimates are based on average advertised prices rather than the prices households were actually paying, and do not reflect discounts, promotions, or bundled offers.

Figure 4.14 Relative affordability of rural broadband by income quintiles



Source: Commission analysis of Stats NZ and Commission data

As part of our ongoing monitoring, we will continue to build our understanding of how changes in technology availability and pricing affect affordability and accessibility outcomes for rural consumers.

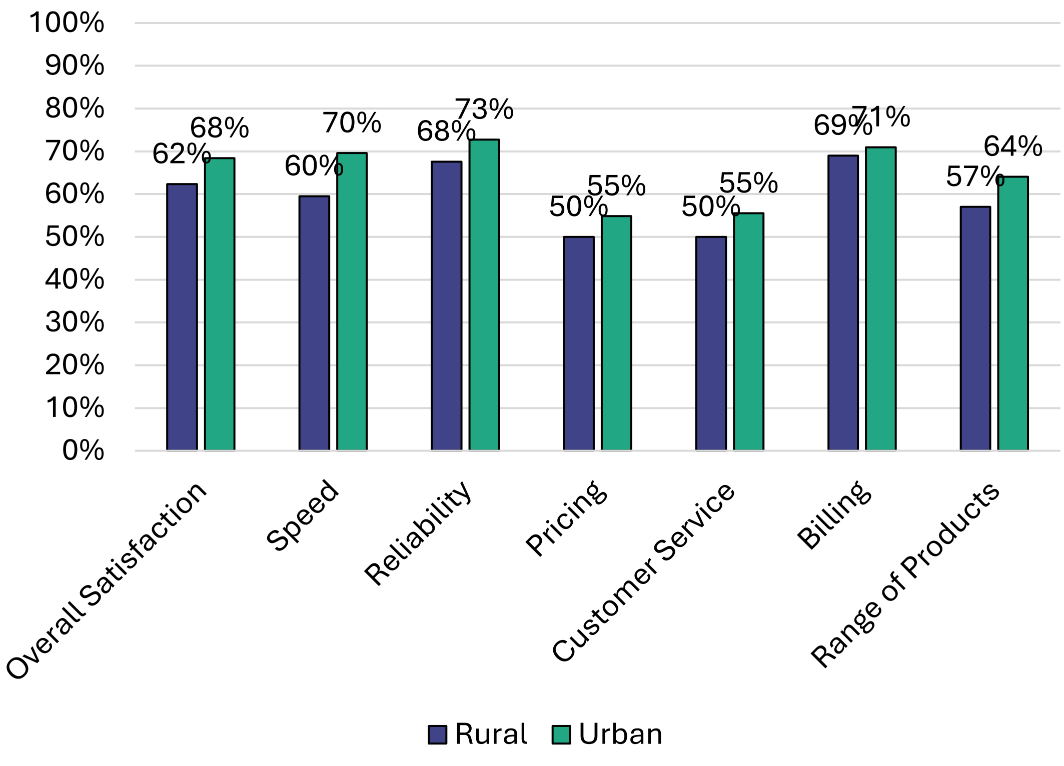
Satisfaction

Net Promoter Score (**NPS**) is a measure of customer satisfaction based on how likely consumers are to recommend a provider. It is calculated by subtracting the share of detractors (scores of 0–6) from the share of promoters (9–10), with higher scores indicating that consumers are more likely to recommend the provider.

This section examines rural consumer satisfaction with their broadband services, drawing on data from our monthly consumer survey. It compares rural and urban consumer experiences and shows how satisfaction varies by broadband technology, reflecting differences in performance, pricing and service quality across rural and urban markets.

Figure 4.15 shows rural consumers rating their broadband service lower across all service dimensions.

Figure 4.15 Comparison of satisfaction levels of rural vs urban consumers



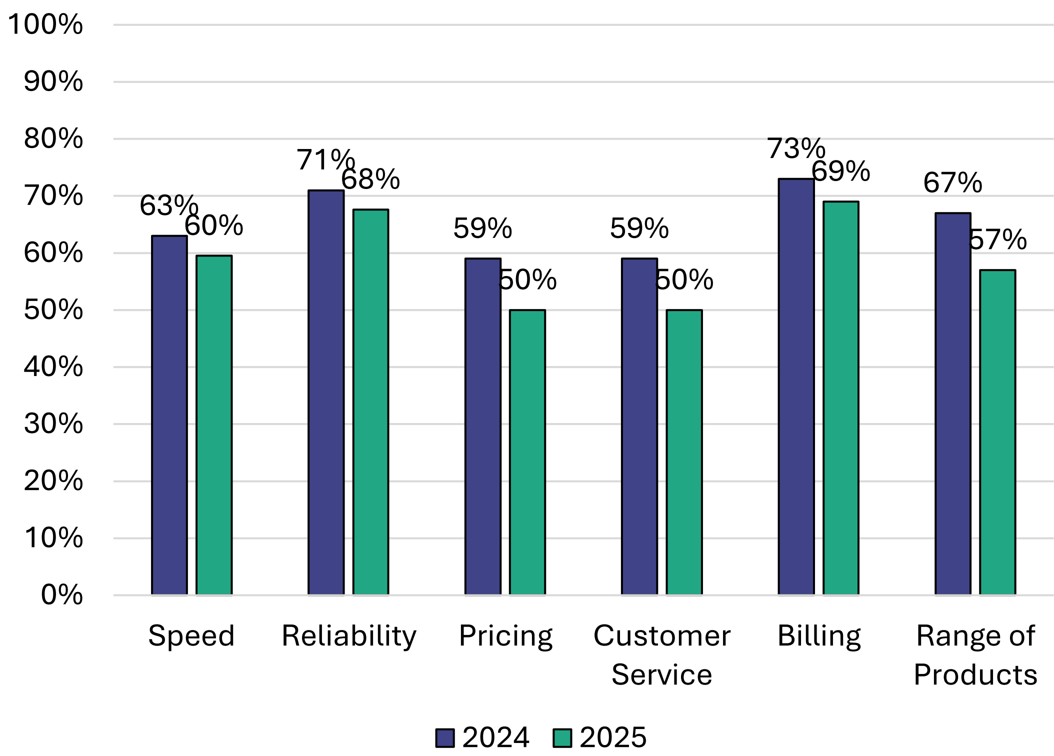
Source: Commission data

Rural satisfaction across all dimensions trailed urban equivalents. Pricing and customer service continued to be the weakest areas, with rural consumers recording satisfaction scores of 50% for both.

These results align closely with the structural price disparities and congestion-related issues described in the 2024 AMR, indicating that while technology performance was improving, price-driven dissatisfaction was proving more persistent.

During 2024–2025, rural consumer satisfaction with broadband declined across all measures, with the largest drops seen for pricing and customer service (both down nine percentage points). Satisfaction with speed, reliability, billing and range of products also fell year-on-year (Figure 4.16). Rather than narrowing, these trends suggest the gap between rural and urban consumer experience may be persisting or widening, despite improvements in network capability.

Figure 4.16 Satisfaction levels of rural consumers



Source: Commission data

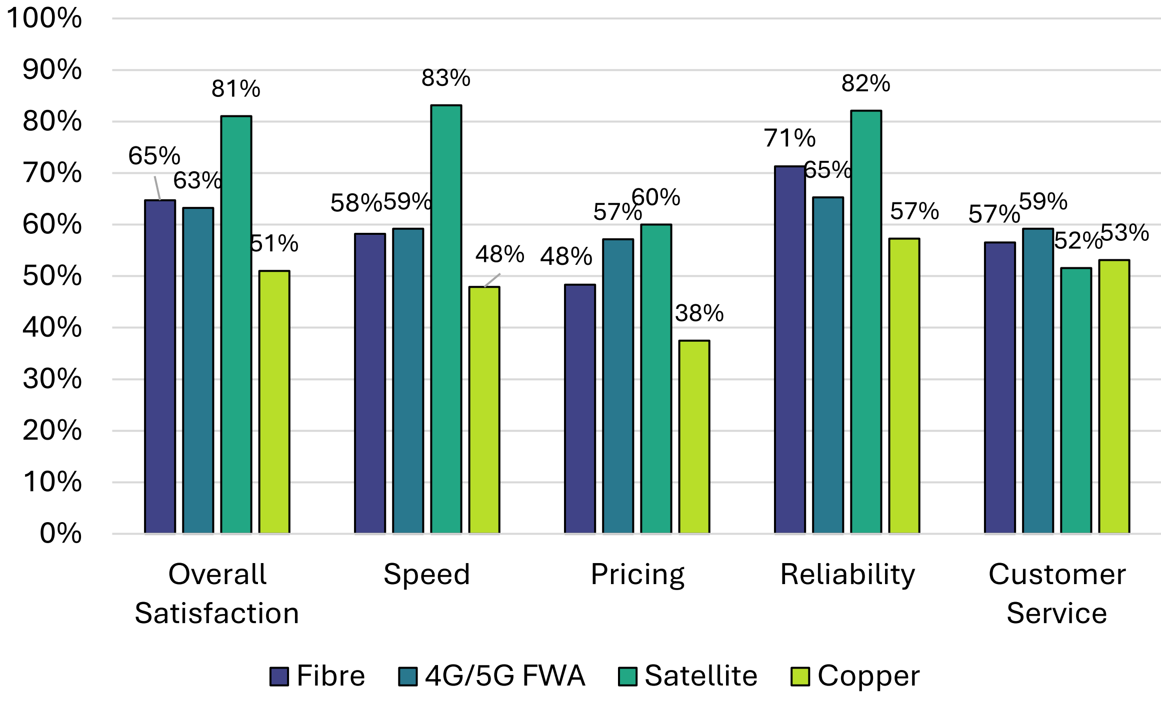
Rural consumer satisfaction by technology

Consumer satisfaction varied significantly by technology. Satellite users reported the highest overall satisfaction of 81%, outperforming 4G/5G FWA (63%). Satellite users also scored more highly on speed, pricing and reliability than 4G/5G FWA and even fibre households (Figure 4.17).

One possible reason for the high satisfaction reported by satellite users is that newer satellite services may feel like a big improvement for rural users who previously had fewer or poorer options, so the service can exceed expectations. Satisfaction may reflect a change from a low base, rather than absolute service quality in isolation, and may also be influenced by what people feel they are getting for the price and the point of comparison for their service.

The high satisfaction satellite users report on speed aligns with the 2025 MBNZ performance results, where LEO satellite recorded average download speeds far exceeding rural 4G FWA and even outperforming VDSL where available.[172] This suggests that performance improvements, even in the presence of higher hardware costs, can translate directly into better consumer sentiment.

Figure 4.17 Satisfaction levels of copper, 4G FWA and satellite broadband consumers in rural areas



Source: Commission data

4G/5G FWA consumers reported more mixed experiences. Although rural 4G FWA performance was stable year-on-year, congestion remained a challenge during peak hours.

172 Commission "MBNZ Report 24 – June 2025", https://www.comcom.govt.nz/assets/Uploads/Measuring-Broadband-New-Zealand-Report-24-June-2025.pdf.

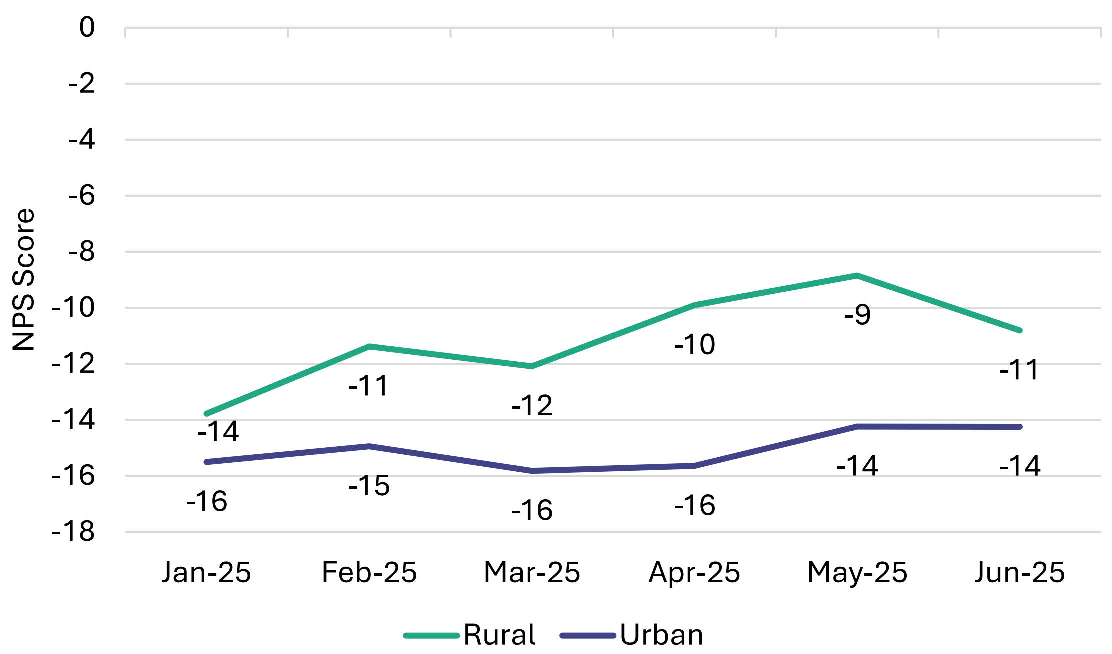
As shown in Figure 4.17, rural consumers on 4G FWA were less satisfied with speed and reliability than households using satellite broadband. These issues were already noted in the 2024 AMR, which highlighted that rural FWA plans often carry higher prices and data caps that restrict usage compared with urban plans. The continued expansion of rural 5G FWA coverage may begin to alleviate this as uptake increases, but 2025 performance data shows only modest improvements so far.

Copper users remained the least satisfied group overall. 2025 MBNZ results show that ADSL and VDSL performance remained flat year-on-year. These limitations contributed to lower satisfaction levels and higher incentives for households to move away from copper to LEO satellite or FWA.

Across all technologies, customer service satisfaction remained low, mirroring broader trends in the 2024 AMR, which highlighted long wait times, installation delays and inconsistent communication as common sources of consumer frustration. With rural households often facing more complex installation requirements, particularly for satellite and WISP services, these issues may be amplified compared to urban areas.

Figure 4.18 compares broadband NPS for rural and urban consumers over time, presented as a rolling nine-month average. The higher the NPS score, the higher the satisfaction.

Figure 4.18 Rural vs urban broadband NPS—rolling 9-month average



Source: Commission data

However, the chart shows that rural broadband NPS scores were consistently higher than those for urban consumers over the period shown, despite the well-documented challenges rural households face in pricing, performance and choice.

One possible reason for this is that rural consumers may have lower baseline expectations given long-standing constraints on performance and choice, making them more tolerant of issues when they occur. They were also more likely to experience visible, localised support (eg, local technicians or small WISPs where providers are personally known), which can positively influence willingness to recommend. In contrast, urban consumers may have higher expectations in a more competitive market, so small issues or friction can have a bigger impact on NPS, leading to consistently lower urban scores.

The upward trend in the rural NPS series suggests a modest but improving level of consumer sentiment.

Switching providers and changing technologies

Switching provider

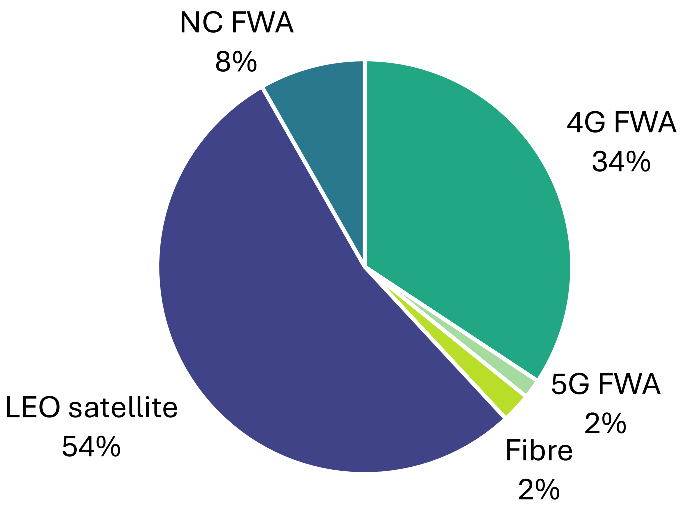
Rural households continued to switch broadband providers at a slightly lower rate than urban households, with 10% of rural households switching in the past 12 months, compared with 12% in urban areas.[173] This lower level of switching may reflect more limited technology availability in some rural areas, particularly where fibre is not available, rather than weaker engagement by consumers.

Changing technologies

Where rural households do change broadband technology, Figure 4.19 shows that households moving off copper were most commonly transitioning to satellite and FWA services, reflecting both declining copper performance and the growing role of higher-performing alternatives such as LEO satellite. These patterns indicate that switching in rural areas was driven primarily by the need to access better-performing technologies, rather by other factors such as price competition or promotional offers.

173 Commission data.

Figure 4.19 Technologies rural households changed to when moving from copper

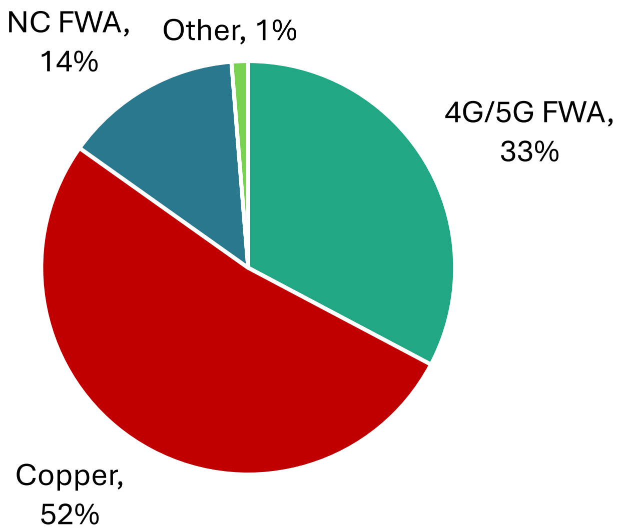


Source: Commission data

The share of rural households changing from copper to WISP NC FWA services has fallen (from 18% to around 8%). This likely reflects increasing competition from alternative technologies. In particular, uptake of LEO satellite has grown strongly, supported by faster speeds and attractive pricing, while 4G FWA remains widely available and easy to adopt.

Figure 4.20 highlights that over half of rural consumers who moved to LEO satellite came off copper, as we would expect with the performance improvement.

Figure 4.20 Technologies rural households came off when changing to LEO satellite



Source: Commission data

Table 4.18 breaks down the relative share of each area in New Zealand that has a LEO satellite connection. For example, we see the highest share of LEO satellite connections in regions that are more remote, such as Northland (11% of connections there are LEO satellite), West Coast and Tasman. See our regional connectivity stories in our Special Topics chapter for more insight into these areas.

Table 4.18 Share of LEO satellite connections by region

Region	Share of LEO satellite
Northland	11%
West Coast	9%
Tasman	8%
Marlborough	7%
Southland	7%
Waikato	5%
Hawke's Bay	5%
Taranaki	4%
Bay of Plenty	4%
Manawatū-Whanganui	4%
Canterbury	3%
Gisborne	3%
Otago	3%
Auckland	2%
Wellington	1%
Nelson	1%

Source: Commission data

Rural consumer summary

Overall, rural consumer outcomes in 2025 show gradual improvement in performance but continued pressure on affordability and customer experience. The rapid rise of LEO satellite services was clearly improving satisfaction for a growing segment of rural households, but persistent coverage constraints, high prices and variable customer service across technologies suggest that rural consumers still face meaningful barriers to high-quality connectivity.

Rural consumer outcomes in 2025 continued to reflect longstanding disparities in pricing, performance and service quality between rural and urban broadband markets. While improvements in the types of technologies available supported better online experiences for some households, rural satisfaction overall remained lower than in urban areas across key service measures. These results are consistent with the broader patterns identified in the 2024 AMR, which highlighted lower rural satisfaction driven by a combination of pricing pressure, limited infrastructure choice and variable service reliability.

Chapter 5

Connectivity on the Move | Honotanga Hāereere

Chapter 5 Connectivity on the Move | Honotanga Hāereere

Connectivity on the Move relates to mobile services—calls, texts and mobile data. This chapter looks at New Zealand as a whole.

2025 highlights

Infrastructure

- 5G rollout continued in 2025, with population coverage increasing to 51% and geographic coverage expanding to 4%.
- 4G coverage reached near-universal population levels (99%) and surpassed the extent of 3G coverage at its highest.
- One NZ launched the first nationwide Satellite D2C SMS service in late 2024.
- Average mobile download speeds rose by 23% across all technologies and Reliability Experience rose by 6%.

Wholesale

- Most MVNOs offer 5G services where available, while emerging services such as satellite D2C remained selectively available and primarily positioned by MNOs as a service differentiator.
- The Commission continues to ensure that the overall wholesale market remains an efficient layer of support for the retail market, by regularly assessing whether regulations remain targeted and are adaptive to market changes, monitoring compliance and selectively intervening when appropriate.

Retail

- The mobile market in New Zealand remained highly concentrated, with a slight reduction over recent years with the growth of MVNOs who increased their market share to 3.2%, from 2.5% last year.
- There continued to be a significant difference in the adoption of endless or unlimited plans—68% of postpaid users had these types of plans compared to only 7% of prepaid users.
- MVNOs continued to introduce innovative mobile plans, such as those that differentiate by speed tier rather than by data caps. They also remained the clear price leaders, particularly compared to MNOs.

- Mobile prices continued to diverge between prepaid and postpaid. The cheapest plan to meet average prepaid use has fallen over time, while the cheapest postpaid option has risen, reflecting ongoing migration toward higher data plans.

Consumer

- Mobile consumer satisfaction levels remained below the benchmark for good performance (80%) in most aspects.
- Despite this, we did not see the expected corresponding increase in consumers switching providers and/or changing plans, suggesting that barriers to switching remained for consumers.
- Consumers continued to use text messaging less and are shifting to using internet-based messaging apps such as Facebook Messenger and WhatsApp.

Infrastructure | Hanganga

Telecommunications infrastructure—the physical components that connect homes and businesses to voice and broadband services—provides the foundation for how the rest of the market operates in New Zealand. The starting point for connecting Kiwis on the move is the mobile infrastructure deployed across New Zealand. This includes most of the areas Kiwis live, work, travel and play, including highways, holiday spots, tourist destinations and other parts of the country without permanent populations.

This section looks at the coverage of mobile networks across the country. It touches on some of the key assets needed to operate a network such as towers and spectrum. It also summarises the performance of different generations of mobile technologies, including what consumers may experience on their device.

Coverage

In New Zealand, three national cellular networks are operated by 2degrees, Spark and One NZ.

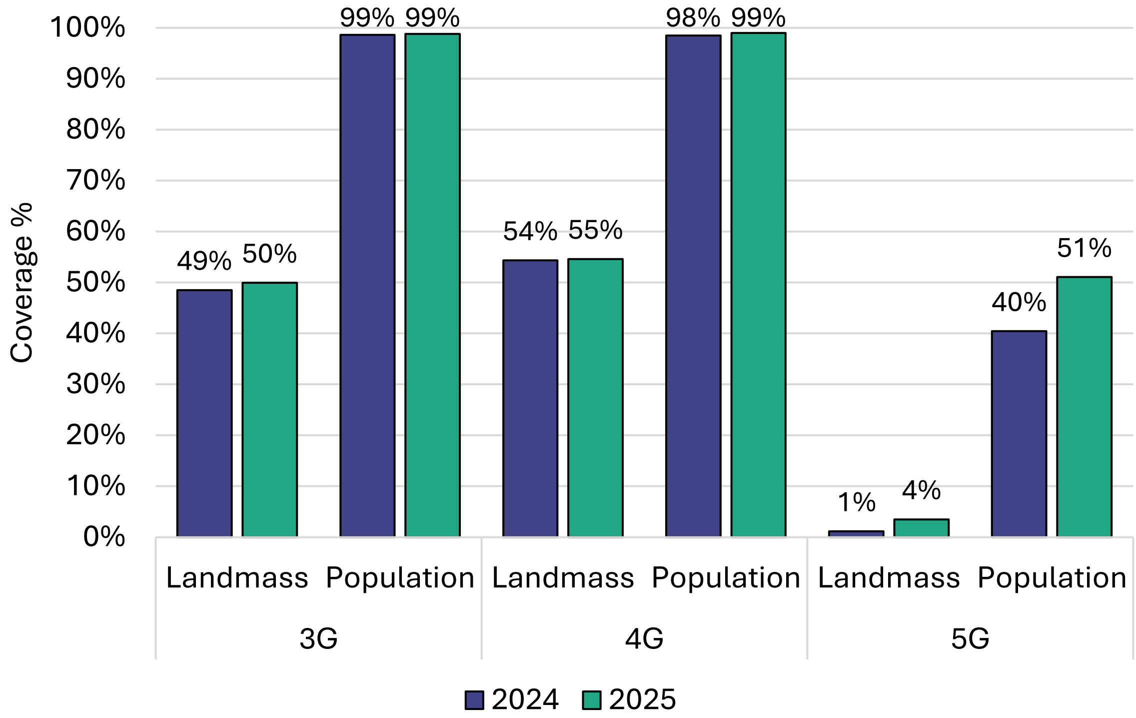
Mobile coverage is generally measured by MNOs using computerised propagation models that can calculate coverage as a percentage of the land mass covered or the percentage of population covered. The models do not always reflect real-world experience.

The three MNOs produce their own coverage maps. Historically these have not been standardised and were difficult to compare. However, in January 2025, we published guidelines requiring consistent and standardised coverage maps to be published by September 2025.

Mobile network generations represent big leaps in how devices connect and how much data they can use. 3G introduced real mobile internet for web browsing and basic apps. 4G/LTE brought fast, broadband-like speeds, enabling HD streaming, social media, mobile gaming, and modern smartphone use. 5G adds lower latency, higher capacity, and support for many more devices, enabling real-time applications, internet of things (**IoT**) at scale, and ultra-fast connections. 3G brought internet to phones, 4G made it fast, and 5G makes it instantaneous and highly scalable.

In recent years, New Zealand MNOs continued to build out their 5G networks, adding to the existing 3G and 4G networks operated in 2025 (Figure 5.1).

Figure 5.1 Average mobile network coverage by generation of technology



Source: Commission data

5G coverage

Reported 5G population coverage and geographic (landmass) coverage differ, as they measure coverage across people and area, respectively. The difference between the two reflects the concentration of initial 5G deployment in higher-density areas where coverage of a smaller landmass would make the technology available to a larger population.

In 2025, the average reported 5G population coverage increased to 51% (around 2.7 million people), slightly up from 2.1 million people in 2024. We estimate that about 2 million addresses were in 5G coverage areas across New Zealand.

The average reported geographic coverage rose to 3.5%, nearly tripling from 1.16% in 2024.[174]

[174] Revised 2024 figure, which differs from what was reported in last year's Annual Monitoring Report.

So far, the majority of 5G coverage has been concentrated primarily in cities and then in towns with greater population density. It is likely that year on year population coverage increases will slow, while geographic coverage will continue to increase steadily as the network is rolled out in places with lower population density. In addition, factors such as the future availability and reallocation of spectrum used for 3G networks will also influence the pace and pattern of 5G coverage growth.

MNOs maintained progress towards their 5G deployment targets:

- Spark reported that its 5G network reached 50%+ of the population at June 2025.[175] The rollout spans 130 locations with a population greater than 1,500.
- 2degrees reported having 549 5G cell sites as it continued to roll out its network. There is no update on the number of towns reached.[176]
- One NZ's 5G network reached 64% of the total population, as of September 2025.[177] In 2024, it aimed to cover 60% of New Zealand's landmass with its 4G/5G network,[178] but there have been no publicly reported updated figures.

There are two main ways an MNO can build its 5G network:

- **5G standalone (5G SA):** Both the radio access network and core network are 5G, resulting in an end-to-end 5G network that is more future-ready due to the benefits that include ultra-low latency, faster and more reliable network performance and network slicing.
- **5G non-standalone (5G NSA):** Uses 5G equipment on cell towers connected to an existing 4G core network. This is a faster and more economical path to 5G deployment than a full standalone implementation, but does not provide all the benefits of a standalone implementation.

175 Spark "FY25 Annual Report" page 5, see https://investors.sparknz.co.nz/FormBuilder/_Resource/_module/gXbeer80tkeL4nEaF-kwFA/doc/FY25_Annual_Report.pdf.
176 2Degrees "FY25 Annual Update" page 7, see https://www.2degrees.nz/sites/default/files/2025-09/FY25_Annual_Update.pdf.
177 Infratil "One NZ Update" (18 September 2025) page 14, see https://infratil.com/news/infratil-investor-day-2025/infratil-investor-day-2025-one-nz-update/.
178 Infratil "One NZ Update" (5 March 2024) page 8, see https://infratil.com/news/infratil-investor-day-2024/infratil-investor-day-2024-one-nz-update/.

Spark aims to be the first to deploy 5G SA networks to customers in FY26.[179] 2degrees and One NZ also made strategic investments in the past year, which would enable them to deploy services in the future.[180] Both could emerge as potential competitors by the time Spark deploys its first commercial services.[181]

Overall, 5G SA networks are a capability under development in New Zealand, with providers balancing futureproofing for a 5G SA network, while prioritising performance improvements on their existing 5G NSA networks. The MNOs will likely increase their focus on building out 5G SA capabilities, as spectrum used for 3G begins to be refarmed and retail demand increases.[182]

4G coverage

Reported 4G mobile population coverage was largely consistent across all three MNOs, with the total population covered increasing to 99.0%, from 98.5% a year ago.

This increase can largely be attributed to MNOs upgrading their 3G tower sites to 4G in anticipation of shutting down their 3G networks. Average 4G landmass coverage was also slightly up, to 54.6% in 2025 from 54.3% a year ago.[183] 4G coverage reached a larger landmass and percentage of population than 3G network ever did, as the RCG tower build program (used by all 3 MNOs) continued to deliver connectivity in rural and previously unserved areas beyond the prior commitments made.

We note that 4G will not be like for like with the 3G coverage it replaces and that coverage may differ. For some consumers this may impact their experience and ability to connect to their mobile network.

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179 Business Scoop "Spark Completes First Data Session In Model 5G Standalone Network" (26 August 2024), see https://business.scoop.co.nz/2024/08/26/spark-completes-first-data-session-in-model-5g-standalone-network/; Spark "FY25 Annual Report" page 30, see https://investors.sparknz.co.nz/FormBuilder/_Resource/_module/gXbeer80tkeL4nEaF-kwFA/doc/FY25_Annual_Report.pdf.

180 Frontier Enterprise, "2degrees, Nokia boost 5G services in New Zealand" (8 April 2025), see https://www.frontier-enterprise.com/2degrees-nokia-boost-5g-services-in-new-zealand/. Ericsson "Ericsson partners with One New Zealand on multi-year core modernisation to deliver future-ready connectivity and security" (5 March 2025), see https://www.ericsson.com/en/press-releases/7/2025/ericsson-partners-with-one-new-zealand-on-multi-year-core-modernisation-to-deliver-future-ready-connectivity-and-security.

181 In March 2026, 2degrees announced the launch of their enterprise-grade private 5G SA network in collaboration with Erricson, to be used by the Lyttelton Port. Reseller news "Lyttelton Port Company rolls out private 5G network with 2degrees and Ericsson" (2 March 2026), see https://www.reseller.co.nz/article/4138974/lyttelton-port-company-rolls-out-private-5g-network-with-2degrees-and-ericsson.html.

182 Spectrum refarming is the repurposing of existing frequency bands from older, legacy technologies to support newer, more efficient technologies.

183 Commission data. 2024 coverage numbers may be revised from the 2024 Annual Monitoring Report.

3G coverage

Reported 3G coverage was largely unchanged from 2024, with the average 3G population coverage 98.8% in 2025, and average 3G landmass coverage increasing slightly to 49.9% in 2025, from 48.5%.[184]

During the reporting period, the three MNOs extended their original shutdown timeframes. One NZ and Spark announced that they intend to switch off their 3G networks by late 2025 or early 2026,[185] with 2degrees indicating a similar mid-2026 timeframe.[186]

The 3G network shut down has implications for a variety of users, such as consumers using older or grey-market handsets that are not compatible with 4G or 5G networks, access to emergency services such as 111 calling, and on some older IoT devices that rely on cellular networks to transmit data, such as those used for security, logistics, data measurement and payments.

We estimate that as at June 2025, a total of 500 addresses (0.02% of the total in NZ) relied entirely on 3G coverage. As MNOs prepared to shut down their networks, there was continued engagement with customers to minimise impacts. The Commission has been monitoring the number of impacted devices, as well as the anticipated impacts of the shut down, and will discuss this further in next year's report.[187]

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184 Commission data.

185 One NZ "One New Zealand aligns 2G and 3G switch off for end of 2025" (25 October 2024), see https://media.one.nz/switchoff/; and Spark "Spark to close its 3G network on 31 March 2026" (9 June 2025), see https://www.spark.co.nz/online/about/our-company/news/Spark-to-close-its-3G-network-on-31-March-2026.

186 2degrees "2degrees begins 3G shutdown" (12 December 2025), see https://www.2degrees.nz/media-releases/2degrees-begins-3g-shutdown. 2degrees no longer has 3G shutdown announcements from the time in scope of the report available online.

187 As at April 2026, all three MNOs had shut down their 3G networks—2Degrees in February 2026, Spark and One NZ in late March 2025.

Satellite direct-to-cell (D2C)

Direct satellite to cellular connectivity (D2C) is an innovative new technology that extends cellular network coverage by enabling standard smartphones to communicate via satellite networks in areas where there is direct line of sight to the sky. MNOs around the world are partnering with satellite providers to provide D2C services. These services have some limitations and caveats but are likely to improve over time.

There are two main ways through which D2C services can be delivered, largely differentiated by spectrum access and control:

- In one approach, the satellite operator delivers D2C services using spectrum licensed to the MNO, under a commercial agreement.
- Satellite providers may also act as operators of a non-terrestrial network, using the global satellite bands as designated by the ITU.

Currently, satellite operators have elected to form partnerships with MNOs, where MNOs retain control over spectrum rights, subscriber authentication, billing and consumer relationships. Ongoing technological development may allow for an evolution in how spectrum is held and used by MNOs and non-terrestrial network operators, with potential implications for future D2C deployment models and market structure.

One NZ became the first telecommunications company in New Zealand to launch a national D2C service to customers in December 2024, and continued to improve its offerings by rolling out other services such as mobile data and improving device eligibility.[188] Other MNOs in New Zealand have also announced partnerships and timeframes for when services will be available.

Table 5.1 lists the various partnerships (existing and planned) between the MNOs and Satellite D2C providers.

[188] IT Brief "One NZ launches nationwide Satellite TXT with Starlink" (19 December 2024), see https://itbrief.co.nz/story/one-nz-launches-nationwide-satellite-txt-with-starlink.

Table 5.1 D2C partnerships and offerings

MNO	Satellite partner(s)	Launch date (*planned*)	Services (*planned*)
One NZ	Starlink	December 2024	SMS *Data (certain apps*) (2026) *Voice (via* over-the-top apps) (2026)
Spark	Lynk Starlink	*2026*	*SMS* Data (certain apps)
2degrees	Lynk AST SpaceMobile Starlink	*2026*	*SMS* Data

Source: Provider websites

MNOs across the world also launched D2C satellite voice and text messaging as the technology rolled out. As of September 2025, Starlink reported having 27 MNO operators, across 22 countries with live satellite services, enabling 400 million people access to satellite connectivity.[189]

Government investment

The Mobile Black Spot Fund (**MBSF**) was announced by the Government in 2015/16. It seeks to provide greater mobile coverage on approximately 1,400km of state highways and in 168 tourism locations where no coverage previously existed.

The Rural Connectivity Group (**RCG**) is contracted to deliver the MBSF programme. It is a joint venture created by the three MNOs (2degrees, Spark and One NZ) bring mobile and broadband connectivity to rural homes and ensure that the technology continues to improve. The RCG venture is the first of its kind globally, and continues to surpass its initial targets.

Under the MBSF in the year to 30 June 2025, 74 new 4G mobile towers were completed, resulting in an additional 28 tourism sites, 16 marae and 481km of state highways and local roads gaining mobile coverage.[190]

189 Starlink "Progress 2025" page 41, see https://starlink.com/public-files/starlinkProgressReport_2025.pdf?srsltid=AfmBOookeMqrAYYajYjO_0SlhRUcLiC9Lg3Ux2moKlA3VsAP0OizpHAe.

190 NIFF Connectivity Updates: June 2025 (six-months), December 2024 (quarter) and September 2024 (quarter), see https://nationalinfrastructure.govt.nz/publications/#connectivity-public-reports.

While the MBSF programme reports the number of new towers built and the extent of new coverage delivered to highways, marae and tourist sites, it does not publish public metrics on the quality of that coverage (such as “good”, “moderate” or “limited”) for each site. The MBSF also specifically targets mobile black spots on state highways, meaning the sites are designed to ensure usable safety-grade coverage along road corridors rather than just theoretical signal presence.

The additional towers and locations built under the MBSF, combined with MNO tower upgrades in preparation for 3G network shutdowns, have both been a major factor behind the increase in 4G population coverage in the last year.

As of 30 June 2025, the MBSF programme had completed coverage to 192 tourism sites (102.7% of the revised target of 180 sites) and ~2000KM of state highways and local roads (107% of the revised target of 1,800km).[191]

Despite these investments, due to the geography of New Zealand and the low density of our population in places, black spots are still likely to remain and will be an issue for some consumers at times.

Tower ownership

Passive infrastructure includes network elements such as towers, masts and poles that are not part of the active telecommunications network.

Globally, MNOs have been selling their passive infrastructure to tower companies (**TowerCos**) to free up capital for investments like 5G. In New Zealand, Spark and 2degrees sold their towers to Connexa, and One NZ sold its towers to Fortysouth.

While not a TowerCo, the RCG also builds towers across some rural and remote areas of New Zealand.

Connexa and Fortysouth operate most of the tower infrastructure in New Zealand and lease space on the towers to the MNOs for their radio access network equipment.

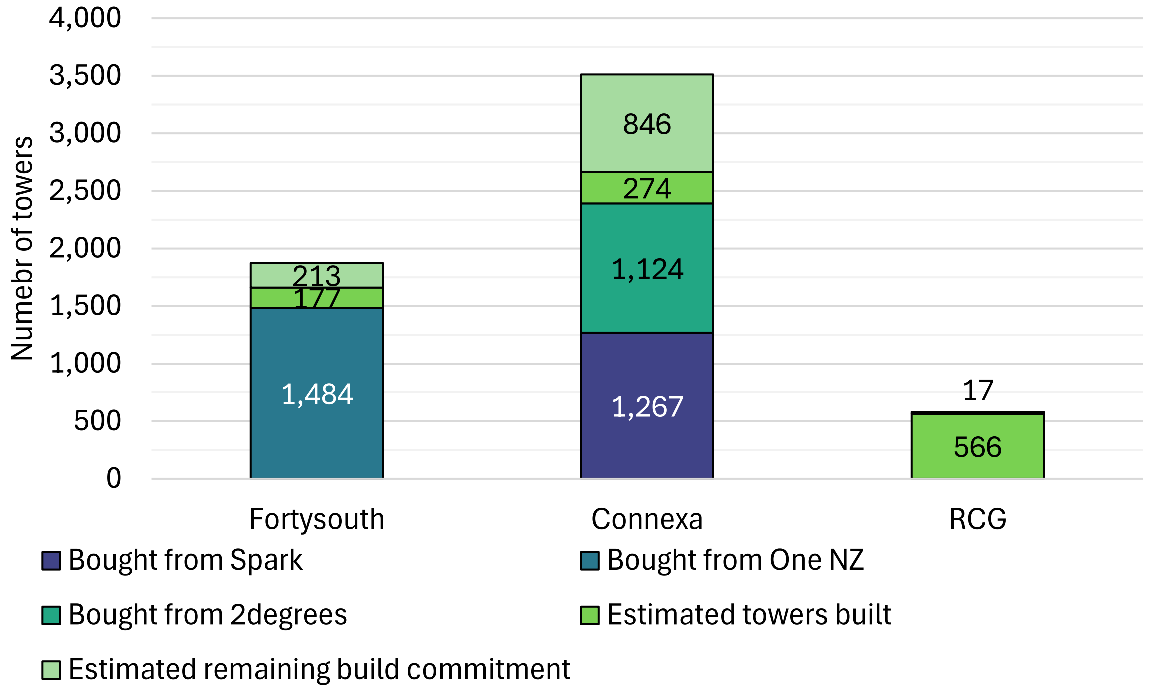
[191] NIFF Connectivity Update 1 January to 30 June 2025 page 5, see https://nationalinfrastructure.govt.nz/wp-content/uploads/June-2025-Connectivity-Update-FINAL_new.pdf.

As part of the deals to purchase towers from Spark and 2degrees, Connexa committed to build at least another 1,120 towers over the following decade.[192] As at June 2025, it reportedly owned more than 2,500 tower sites which we estimate as being slightly over half of New Zealand's mobile towers at that time. After the sale of Spark's remaining 17% share in early 2025, Connexa is jointly co-owned by two Canadian investment funds, The Ontario Teachers' Pension Plan and La Caisse.[193]

Fortysouth acquired 1,484 towers from One NZ in November 2022 with a commitment to build at least another 390 towers over the next decade.[194] In September 2025, Infratil announced that it had entered into a conditional agreement to sell its shareholding in Fortysouth to Infrared Capital and Pantheon.[195]

Figure 5.2 summarises our estimation of the towers built and committed as at June 2025.

Figure 5.2 Estimated existing and committed mobile tower ownership



Sources: Commission analysis of public reports from Connexa, Fortysouth and RCG

192 670 committed through the Spark deal and 450 through the 2degrees deal. Connexa "Connexa Timeline" (viewed on 22 May 2026), see https://connexa.co.nz/about-us.

193 Reseller News "Spark exits mobile tower company Connexa with $69M gain" (28 February 2025), see https://www.reseller.co.nz/article/3835261/spark-exits-mobile-tower-company-connexa-with-69m-gain.html.

194 Infratil "Annual Report 2023" page 45, see https://infratil.com/for-investors/bonds/where-to-find-out-more/annual-report-2023/. Fortysouth's website (accessed 2 June 2026) indicated it had over 1,700 sites and coverage of 98% of where New Zealanders live, work and play in mid-2026.

195 Infratil "Interim results for the period ended 30 September 2025" (13 November 2025), see https://infratil.com/news/interim-results-for-the-period-ended-30-september-2025/.

There were 566 RCG mobile towers live as at 30 June 2025, covering approximately 85,000 rural homes and businesses.[196] A majority of these towers were in Canterbury, West Coast, Northland and Waikato. These towers were used by all three MNOs, on an infrastructure and spectrum sharing basis, bringing coverage to areas where it would be uneconomic for one MNO to do alone.

Spectrum

MNOs use different spectrum bands for mobile services. Lower frequencies cover wider areas and penetrate objects like walls better than higher frequencies. However, higher frequencies can carry more data.

Spectrum is limited, so MNOs can only use certain frequencies. For any given level of spectrum, MNOs can improve services by building more towers. In urban areas, 5G uses higher frequencies than older networks, which have lower penetration and coverage. Therefore, MNOs will build more sites for 5G. In rural areas, lower frequencies will carry 5G signals further.

Some aspects of spectrum usage have been standardised globally through the ITU's Radio Regulations, with the aim of ensuring interference-free and coordinated global use of spectrum and satellite orbits.

In New Zealand, Radio Spectrum Management (**RSM**)—a business unit of the Ministry for Business, Innovation and Employment—oversees the allocation and use of radio spectrum as well as ensuring it aligns with ITU's global framework. RSM plans, allocates, auctions and licenses frequency rights, and enables access to spectrum for a wide range of services, including broadcasting, telecommunications, and emerging FWA technologies.

Spectrum holdings contribute to the relative capacity of each MNO and are a factor in the ability of each to compete in the provision of retail and wholesale mobile and 4G/5G FWA broadband services.

Different spectrum bands have different characteristics or properties that may make them suitable for different purposes:

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196 NIFF "Connectivity Update 1 January to 30 June 2025", see https://nationalinfrastructure.govt.nz/wp-content/uploads/June-2025-Connectivity-Update-FINAL_new.pdf.

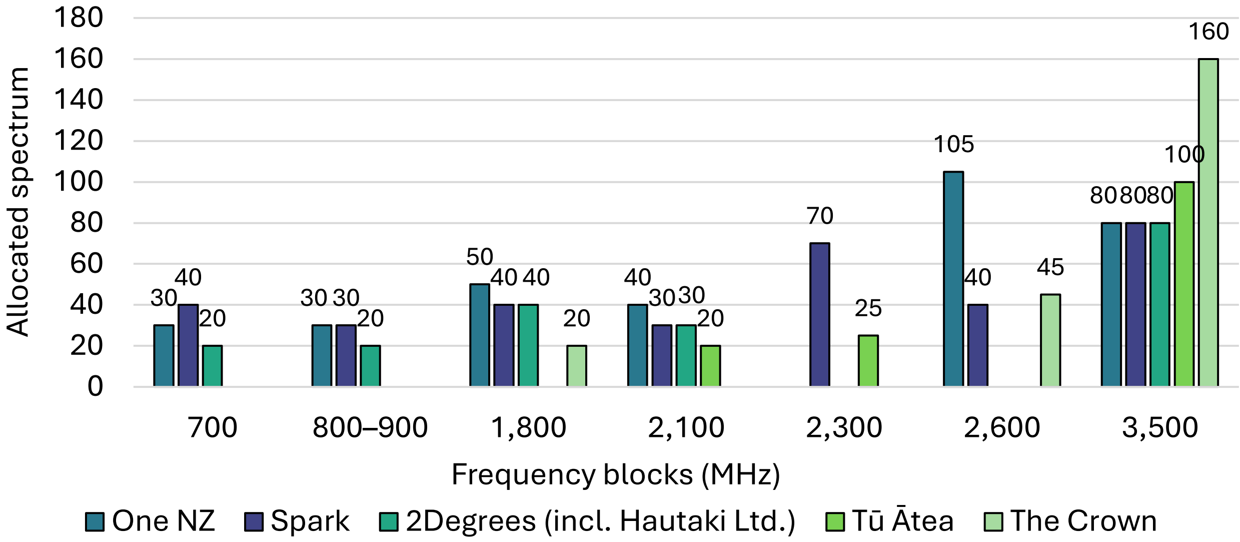
- **Low-band spectrum (<1000MHz)** transmits signals over long distances, so is best suited to providing coverage in rural areas and assists in providing greater indoor penetration in urban areas. The trade-off for the longer distance covered is a lower capacity compared to higher-frequency spectrum. Low-band spectrum frequency is largely used for broadcasting and radio, with cellular networks using some frequencies in higher end.
- **Mid-band spectrum (between 1,000MHz and 6,000MHz)** offers greater capacity, but over shorter distances, so is useful to provide capacity and carry signals in densely populated urban areas using a large number of sites. Mobile networks make use of this band to provide 4G and 5G coverage, with 1,800MHz, 2,300MHz and 2,600MHz being some of the key frequencies used by mobile network providers across Aotearoa.
- **High-band spectrum (>24GHz)** offers the highest capacity and lowest latency, but has a limited range, making it best suited for networks in high traffic environments with a dense infrastructure network like office buildings, transport hubs, stadiums and other tourist spots. This spectrum is not used by the MNOs in New Zealand, partly due to factors such as limited demand for high-capacity infill and pending allocation of this spectrum range by Radio Spectrum Management (**RSM**), though it is expected to play a larger role in future technological improvements such as 6G.

Figure 5.3 illustrates the spectrum holdings of One NZ, Spark, 2degrees and Tū Ātea (previously the Interim Māori Spectrum Commission) at 30 June 2025.[197] It also outlines unallocated spectrum held by the Crown. Of the MNOs, Spark and One NZ hold similar amounts of spectrum after One NZ's acquisition of Dense Air,[198] while 2degrees has the least.

[197] Spectrum holdings for 2degrees include Hautaki Ltd. as these frequencies have been leased to 2degrees.

[198] The 2x15MHz of spectrum at 2,100 for 2degrees was owned by Hauraki Limited but used by 2degrees. Commission "One NZ and Dense Air Statement of Issues" (February 2024), see https://comcom.govt.nz/__data/assets/pdf_file/0021/342255/One-NZ-and-Dense-Air-Statement-of-Issues-2-February-2024.pdf.

Figure 5.3 MNO Spectrum holdings



Source: RSM[199]

In May 2024, the Commission granted clearance for One NZ to acquire Dense Air, including its spectrum licence for 2x35MHz of 2,600MHz spectrum, noting it was satisfied that the acquisition was unlikely to substantially lessen competition in any New Zealand market.[200] One NZ aims to use this spectrum to enhance its network by reducing network congestion.[201]

One NZ and Spark use their 2,600MHz spectrum to provide 4G mobile and FWA services.[202] Tū Ātea uses its spectrum to offer end-to-end private 4G and 5G radio network services and launched a private 5G network at Wellington's CentrePort.[203]

199 Radio Spectrum Management current and registered management rights, see https://rrf.rsm.govt.nz/ui/search/management-rights.

200 While this increases the gap in relative holdings between One NZ and 2degrees, the Commission said 2degrees had access to other mid-band spectrum it can use, it can deploy its existing spectrum at more sites and it can improve spectral efficiency. Commission "One New Zealand Group Limited and Dense Air New Zealand Limited [2024]" (2 May 2024) page 3, see https://comcom.govt.nz/__data/assets/pdf_file/0023/364280/5B20245D-NZCC-10-One-New-Zealand-and-Dense-Air-merger-clearance-determination.pdf.

201 One NZ "February new mobile cell sites and upgrades" (7 April 2025), see https://media.one.nz/february-network-upgrades.

202 One NZ "What are the One NZ mobile network frequencies?" (accessed 22 June 2026), see https://one.nz/faq/one-nz-mobile-network-frequencies; Spark "Spark NZ Network coverage and compatibility" (accessed 22 June 2026), see https://www.spark.co.nz/shop/mobile/network/.

203 Private networks allow enterprise customers to avoid congestion on public mobile networks, and providers can offer tailored services to overcome coverage and performance issues. CentrePort "CentrePort and Tū Ātea launch NZ's first Māori-built commercial Private 5G network" (18 November 2025), see https://www.centreport.co.nz/home/news/centreport-and-tu-atea-launch-nzs-first-maoribuilt-commercial-private-5g-network.

The Government has historically allocated licensed telecommunications spectrum via an auction process. Rights for the use of the spectrum are valid for a fixed period. The existing allocations for low- and mid-band spectrum expire between 2028 and 2043. When allocations expire, the Government will likely reallocate required bands through auction or direct allocation. There were no ongoing or imminent spectrum auctions as at June 2025.[204]

Performance

Speeds

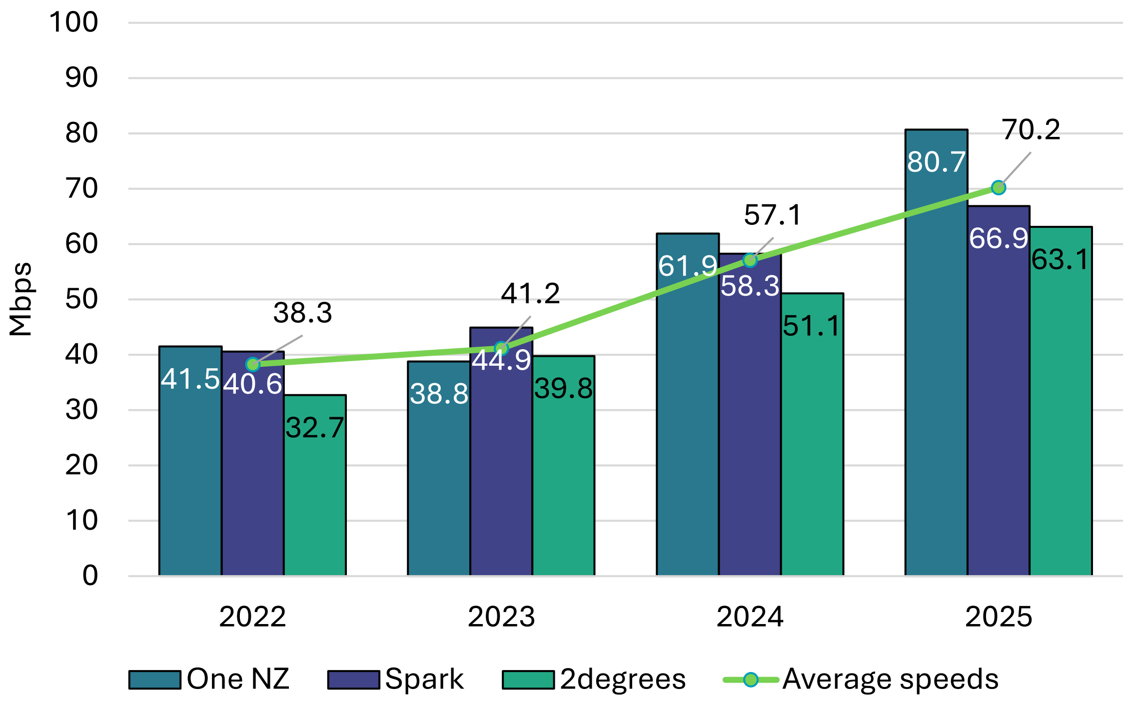
Download speed is the rate at which data travels from the internet to the mobile device, measured in Mbps.

Download speeds vary by the generation of mobile technology used, with 5G capable of providing faster data download speeds than 3G or 4G. Generally, 4G speeds can be up to 10 times faster than those on 3G, and 5G speeds can be around 8 times faster than 4G.

Figure 5.4 shows the average download speeds experienced by users across each MNO's networks (3G, 4G and 5G).

[204] RSM "Future allocations of 2300 MHz & 2600 MHz spectrum" (accessed 22 June 2026), see https://www.rsm.govt.nz/projects-and-auctions/current-projects/future-allocations-of-2300-mhz-and-2600-mhz-spectrum.

Figure 5.4 Average mobile download speeds (October 2025)



Source: Opensignal[205]

In 2025, download speeds increased by an average of 23% across all MNOs. The rate of increase was lower than that in 2024 (39%), and as performance improvements are capped by the constraints of the technology, future growth will be driven by the rollout of 5G across more areas, consumer device upgrades, and the potential refarming of 3G spectrum. Download speeds experienced by users marginally outperform those experienced by consumers of 4G FWA and Fibre 50 broadband services.[206]

5G speeds

As MNOs build out their 5G networks and more consumers buy 5G-capable devices, the number of consumers using 5G is increasing. As that happens, MNOs must carefully balance the dimensions of the network with the number of users, as more users will place more pressure on the network. While MNOs might get very high average download speeds with only a small number of users, the speeds may trend downwards as more users move onto the 5G network over the coming years.

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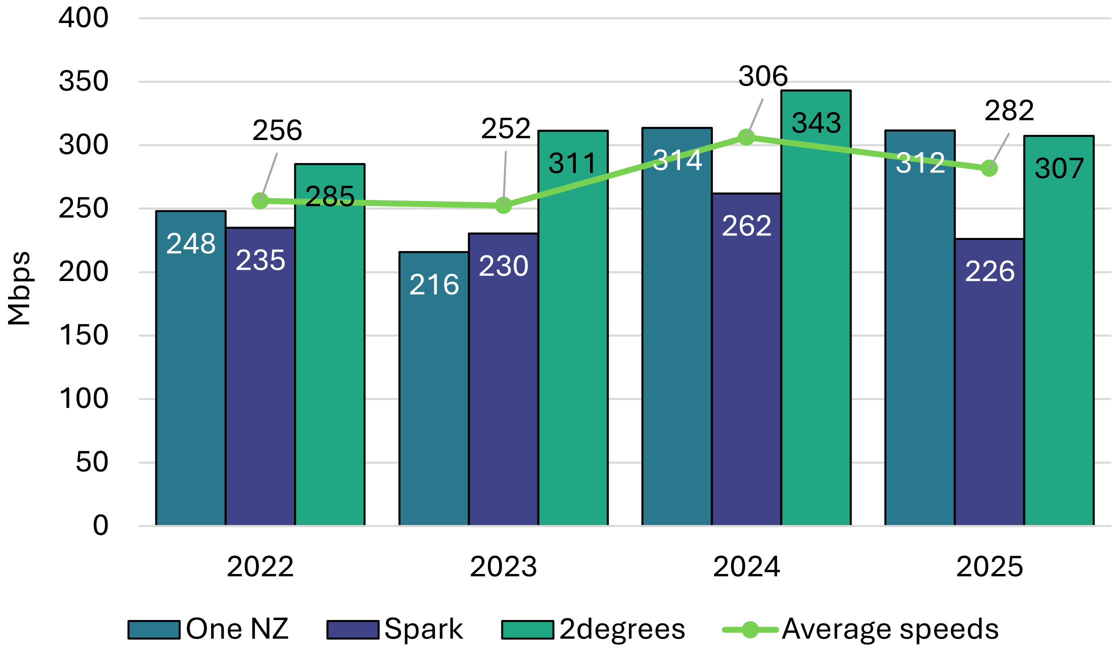
205 Commission analysis of Opensignal "New Zealand mobile network experience report" (October 2022, October 2023, September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

206 Commission, "MBNZ Report 24, June 2025" (June 2025), see https://www.comcom.govt.nz/regulated-industries/telecommunications/monitoring-the-telecommunications-market/monitoring-new-zealands-broadband/reports-from-measuring-broadband-new-zealand/.

Average 5G download speeds for One NZ customers were marginally better than those experienced on 2degrees network, which has consistently led in 5G download speeds for the last three years (Figure 5.5).

Figure 5.5 Average 5G download speeds in New Zealand (October 2025)



Source: Opensignal[207]

Download speeds improved 10% between 2022–2025, but in the last year, speeds decreased by 8%. This is likely due to the increased load on network as consumer usage patterns shift towards greater reliance on data-intensive applications in everyday life.

Since 2022, One NZ's speed increased the most, up 26% to 312Mbps in 2025, while 2degrees increased by 8% to 307Mbps. Spark was the only MNO to see a decrease in average speeds over this three year period, reducing by 4% to 226Mbps in 2025. With speeds at this scale, it is unlikely that consumers would have significantly noticed any marginal improvement or declines in speeds.

International 5G speed comparison

One NZ and 2degrees ranked fourth and fifth respectively in the top 10 operators in large land mass countries for 5G download speed (Figure 5.6) and ranked in the top 25 globally. One NZ's delivered speed was 4Mbps faster than in 2024 while 2degrees' delivered speed was slower by 29Mbps.

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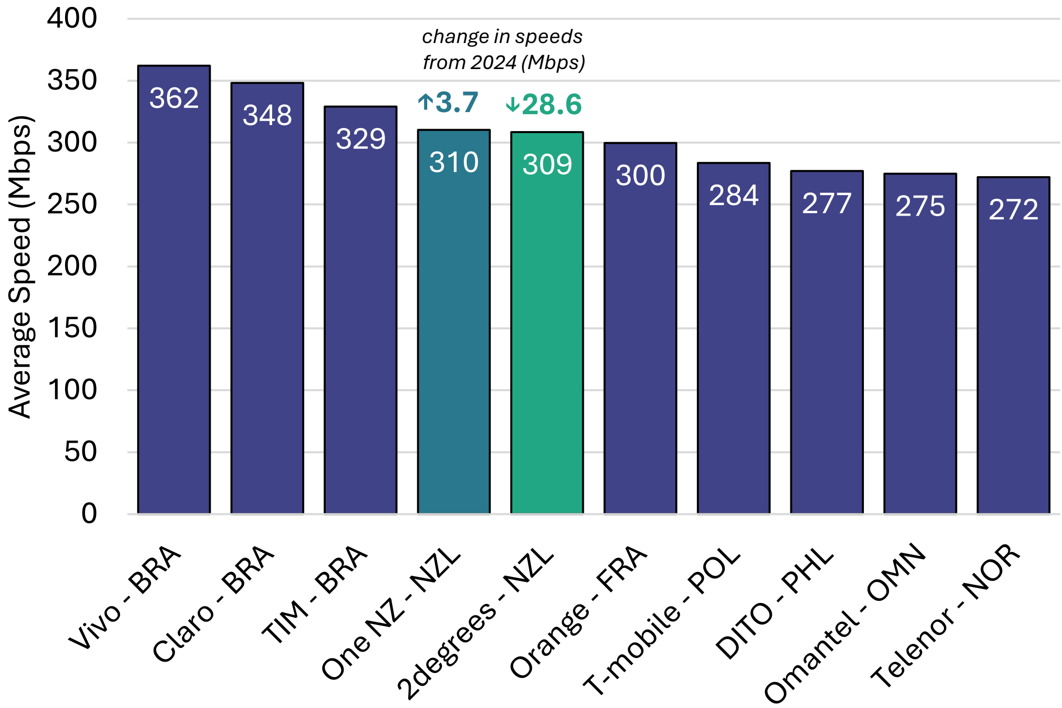
207 Commission analysis of Opensignal "New Zealand mobile network experience report" (October 2022, October 2023, September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

Figure 5.6 5G download speeds (large land mass countries)—top 10 operators (September 2025)



Source: Opensignal[208]

Globally, the average 5G download speeds delivered by the top 20 operators in large land mass countries was 279Mbps,[209] a decline of 18Mbps from 2024 (where the average speed was 301Mbps). The top 20 MNOs download speeds ranged from 362Mbps–242Mbps.

Video experience

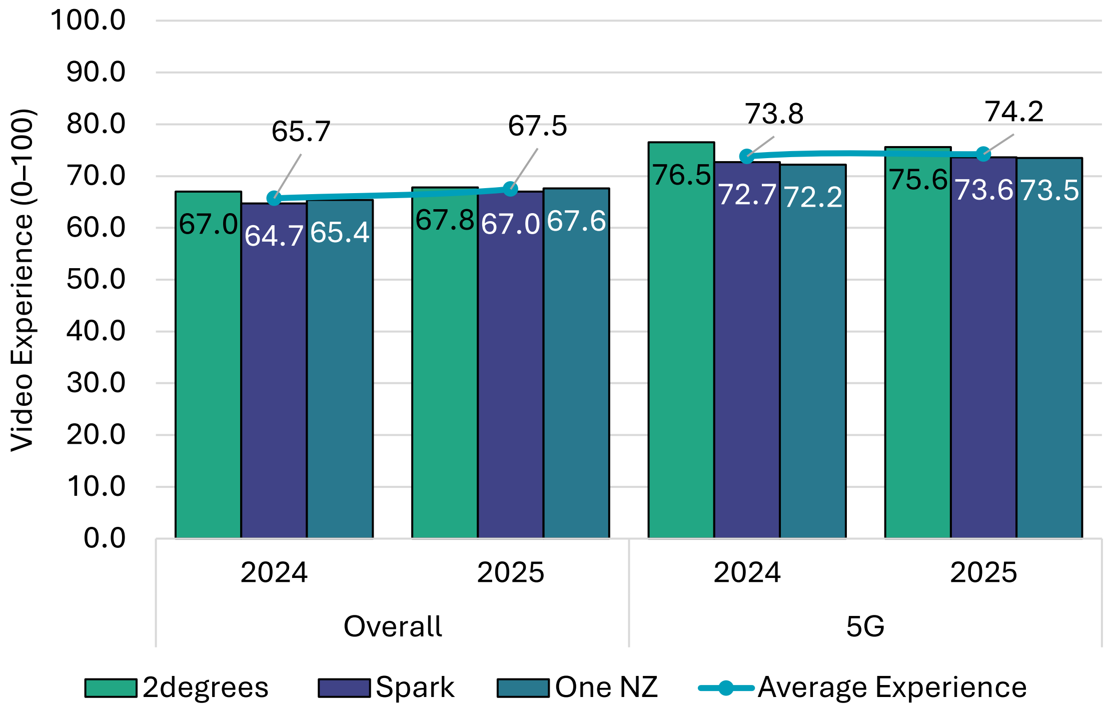
Opensignal's mobile video experience measures how well users can watch videos on their mobile devices. It looks at things like how long videos take to load, if they pause (stall) and the video quality. This is tested on different mobile networks by watching real videos. The results are scored on a scale of 0–100 points, using an international standard.

208 Opensignal "5G Global Mobile Network Experience Awards 2025" (September 2025), see https://insights.opensignal.com/2025/09/5g-global-awards-2025/dt.

209 Opensignal splits countries into two groups based on land area, with New Zealand in Group 1 along with other countries with a land area of over 200,000km.

In 2025, New Zealand MNOs scored an average of 67.5 overall, and an average of 74.2 for 5G-specific video performance (Figure 5.7). This means that consumers were on average able to stream video at 720p or better with satisfactory loading times and little stalling, with experiences marginally better on 5G.

Figure 5.7 Mobile video experience between 2024 and 2025 (October 2025)



Source: Opensignal[210]

The overall scores rose by 3% from 2024, in line with the greater speeds and network upgrades that the MNOs undertook. 5G-specific video experience scores increased slightly, by 1% since 2024. This was likely driven by the increased coverage of 5G seen during the year and consumers upgrading devices, but was likely restrained by an increase in consumers using the network pushing the network toward capacity.

210 Commission analysis of Opensignal "New Zealand mobile network experience report" (September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

Top comparable MNOs globally score 69.1–75.3 overall, and 76.5–77.8 for 5G specific video experience.[211] Providers from Norway, Finland and Japan make up the top 5 in the overall scores, and providers in Romania, Sweden, Finland and Japan top the 5G video experience.

Countries like Sweden, Finland, Norway, Romania and Japan outperform New Zealand because they have much higher 5G population coverage (around 90–100%), earlier and wider deployment of 5G Standalone, and more mid-band spectrum in active use.[212] Most have already retired 3G, so almost all traffic runs on 4G or 5G, lifting their "all-G" performance averages. By contrast, New Zealand continued to carry some traffic on legacy 3G networks in 2025, which lowers overall speed and video experience scores even though our 5G-only performance was not far behind. In addition, New Zealand's geography—including large remote and low-density areas—means that maintaining consistent performance over distance is more challenging, which can affect network-level performance metrics. As New Zealand completes 3G shutdowns, increases 5G SA coverage, and expands mid-band capacity, overall performance should catch-up with the top-ranking countries.

Gaming experience

Opensignal's mobile gaming experience measures how users experience real-time multiplayer mobile gaming on an operator's network. This is measured across all MNOs' network generations and is tested by measuring aspects of the experience of playing real-time multiplayer, mobile games such as Fortnite and Pro Evolution Soccer. Its testing approach is based on research that quantifies the relationship between technical network parameters and the gaming experience and reports this as a score between 0 and 100 points.

In 2025, New Zealand MNOs scored between 71.2 and 76.9 in this category, representing a 'fair' overall experience (Figure 5.8).

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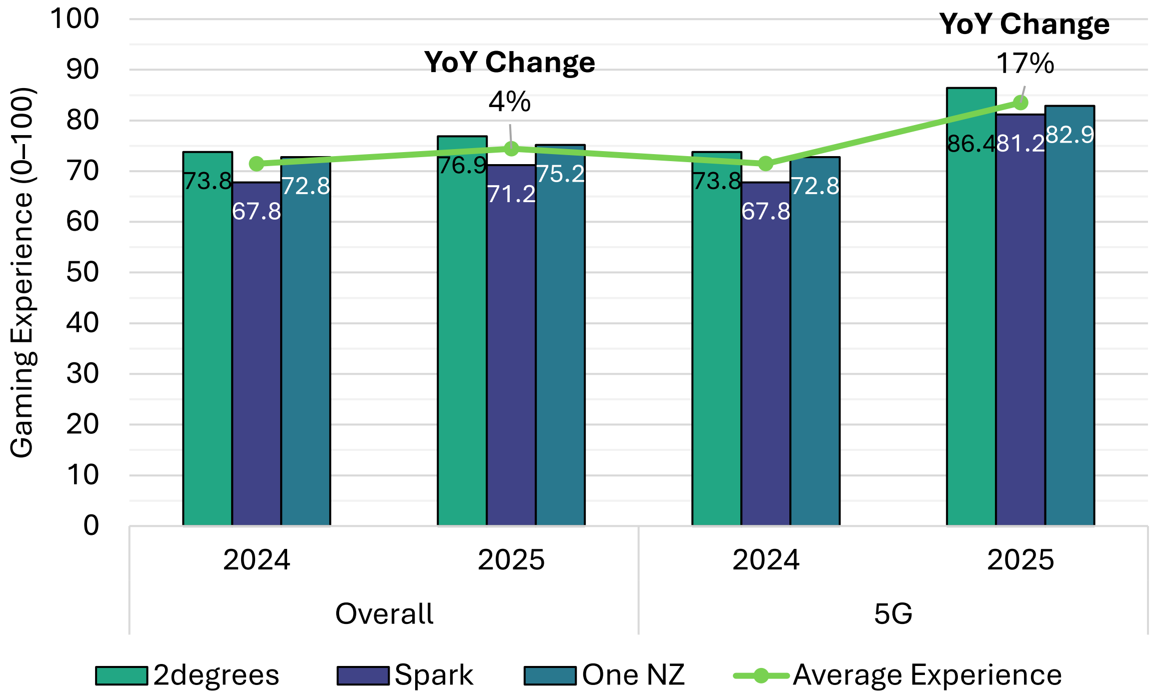
211 Opensignal "Global Mobile Network Experience Awards 2025: Reliability Experience – Large land area group top 20 operators" (27 February 2025), see https://insights.opensignal.com/2025/02/27/global-mobile-network-experience-awards-2025/dt#2025_global_awards_final_v9_Video%20Experience_Large_bar_chart; and Opensignal "5G Global Mobile Network Experience Awards 2025" (September 2025), see https://insights.opensignal.com/2025/09/5g-global-awards-2025/dt.

212 Ookla Research "The Envy of Europe: Nordics Lead in 5G Availability and Network Sunsets" (20 January 2025), see https://www.ookla.com/articles/nordics-5g-q1-2025.

Figure 5.8 Mobile gaming experience between 2024 and 2025 (October 2025)



Source: Opensignal[213]

Opensignal says that 'fair' means the games respond to player actions in most cases, but most users may notice delays between actions on their end and outcomes in the game. These scores saw an increase of 4% on average, since 2024.

The top comparable MNOs globally scored between 76.6 and 85.3 in this category.[214]

Consistency

Opensignal measures consistent quality by combining different experience indicators such as download speed, upload speed, latency, jitter, packet discard and time to first byte. The overall score is the percentage of tests that meet the thresholds recommended by more demanding common applications.

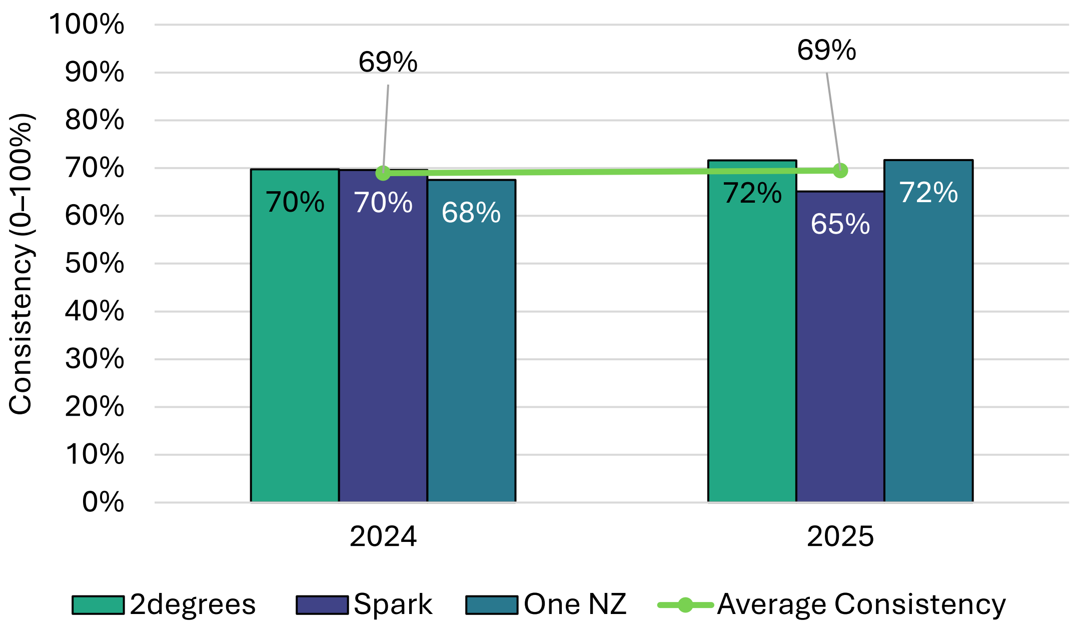
213 Commission analysis of Opensignal "New Zealand mobile network experience report" (September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

214 Due to a difference in the data collection periods between the national scores and global scores, Spark's scores were not mentioned in the Global report, despite having a Gaming Experience score higher than the 20th ranked country. Opensignal "Global Mobile Network Experience Awards 2025: Reliability Experience – Large land area group top 20 operators" (27 February 2025), see https://insights.opensignal.com/2025/02/27/global-mobile-network-experience-awards-2025/dt#2025_global_awards_final_v9_Games%20Experience_Large_bar_chart.

Opensignal says that consistent quality measures whether the network is sufficient to support common mobile application requirements at a level that is ‘good enough’ for users to maintain (or complete) various typical tasks on their devices.[215]

In 2025, New Zealand MNOs scored between 65.1% and 71.7% in this category, representing a ‘good enough’ level for users to maintain (or complete) various typical demanding tasks on their devices (Figure 5.9).

Figure 5.9 Mobile consistency quality by provider between 2024 and 2025 (October 2025)



Source: Opensignal[216]

These results were similar to 2024, with Spark losing 4.5 percentage points and One NZ and 2degrees gaining 4.2 and 1.9 respectively.

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215 Opensignal includes tasks such as video calling, uploading an image to social media and using smart home applications.

216 Commission analysis of Opensignal “New Zealand mobile network experience report” (September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

Availability

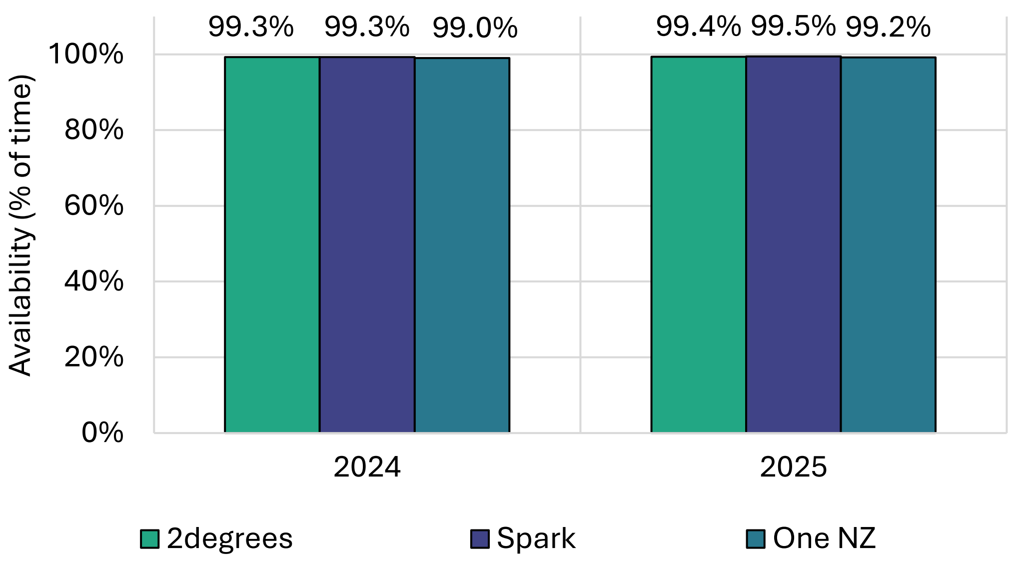
Availability, for mobile services, refers to the extent to which a service can be accessed and used by consumers in a given location. It reflects the geographic presence of a technology and whether consumers are able to subscribe to it, and is influenced by factors such as network deployment, commercial offerings and service eligibility criteria.

As 5G population coverage increases, availability provides an important measure of how deployment translates into actual consumer experience.

Opensignal measures availability as the proportion of time people have a network connection in the places they most commonly frequent. 5G availability is measured by the amount of time a device is on an active 5G connection. It tells us how long consumers have a 5G signal on average across activities and locations such as being at work, being at home and being on the move.

Availability results remained static in 2025, with only slight increases seen across the MNOs (Figure 5.10).[217]

Figure 5.10 Mobile availability by provider between 2024 and 2025 (October 2025)



Source: Opensignal[218]

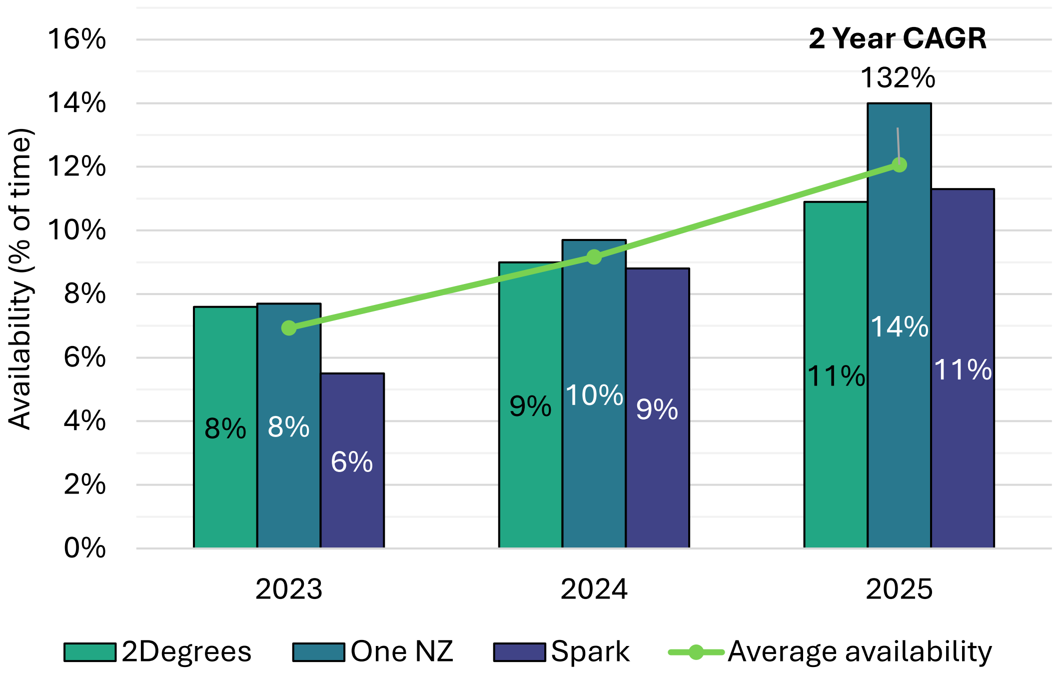
[217] This is not a coverage metric so does not indicate service available in 99% of the country or places people go. This measure highlights availability in our most commonly visited places (at home, at work, at play). Lack of service availability in these places would often be unexpected and cause frustration.

[218] Commission analysis of Opensignal "New Zealand mobile network experience report" (September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

5G availability for devices that are compatible has improved since 2023 as MNOs continued to build their 5G coverage. Users must have a 5G capable device to be able to use a 5G network.

Figure 5.11 shows the user-tested proportion of time where consumers with a compatible device had an active 5G connection.

Figure 5.11 User-tested 5G availability (% of time) over time (October 2025)



Source: Opensignal and Commission analysis[219]

The overall time connected to a 5G network has increased steadily over the last three years. Users with compatible devices were connected to a 5G network on average 12% of the time, compared to 9% in 2024.

Increased time connected to 5G networks could also be attributed to consumers updating their devices. In recent years, providers have incentivised device upgrades for their consumers, predominantly by providing interest free terms and discounts on monthly payments.

219 CAGR is the compound annual growth rate. Commission analysis of Opensignal "New Zealand mobile network experience report" (October 2023, September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

Reliability

> Opensignal's reliability measure evaluates how effectively users can connect to and perform essential tasks on operators' networks. This assessment includes factors such as signal availability, data connectivity, task completion and sufficiency.

Reliability directly affects whether people can consistently complete everyday tasks such as messaging, navigation and video streaming. Here in New Zealand, service reliability remained one of the most common issues driving dissatisfaction and switching behaviour. This suggests that improving reliability, rather than just boosting peak speeds, is likely to have the greatest impact on consumer satisfaction and competitive performance.[220]

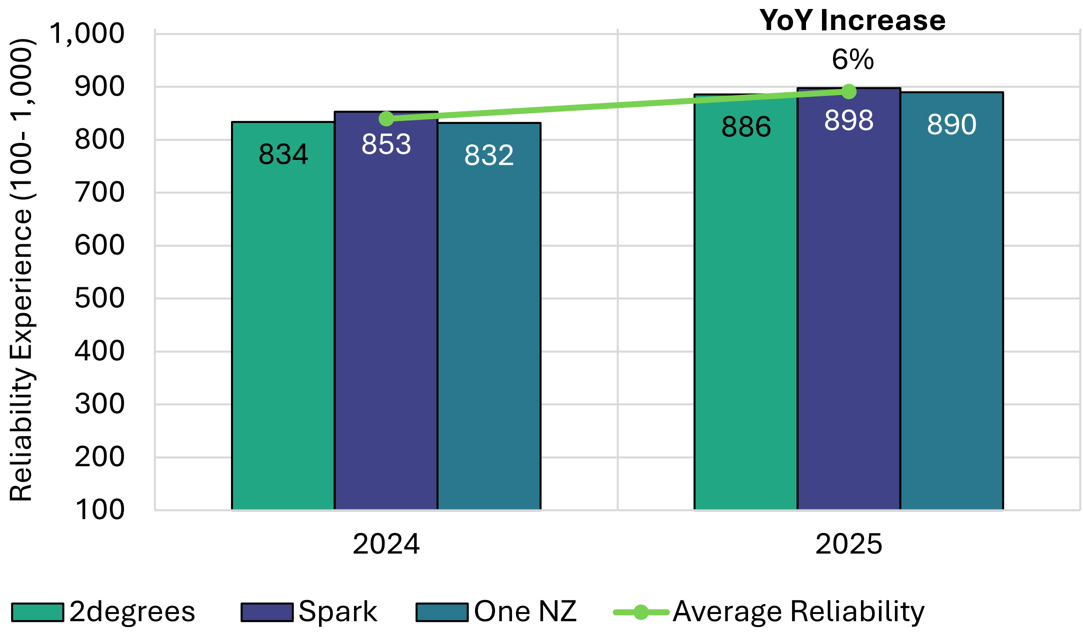
The reliability measure from Opensignal (labelled 'Reliability Experience') measures the ability of users to connect and successfully complete basic tasks on their providers' networks.[221] Reliability Experience is then calculated across all generations of mobile technology, from 100–1,000, with a higher score signifying more reliability.

As seen in Figure 5.12, the reliability scores for the three New Zealand MNOs displayed a slight increase year on year. However, only Spark had a score comparable to the global leaders.

220 Commission "Telecommunications Consumer Satisfaction Monitoring Report January – June 2025" page 19, see https://www.comcom.govt.nz/about-us/research/telecommunications-research/telecommunications-consumer-satisfaction-monitoring-report-january-june-2025/.

221 Opensignal "Global Mobile Network Experience Awards 2025: Reliability Experience – Small land area group top 20 operators" (27 February 2025), see https://insights.opensignal.com/2025/02/27/global-mobile-network-experience-awards-2025/dt#2025_global_awards_final_v9_Reliability%20Experience_Small_bar_chart.

Figure 5.12 Mobile Reliability Experience per provider over 2024 and 2025 (October 2025)



Source: Opensignal[222]

The top comparable MNOs globally scored between 895 and 941 in this category, with providers from Japan, Finland, Norway and Sweden ranking in the top 10.[223]

Interestingly, as at June 2025, New Zealand consumers report a 76% satisfaction with their providers' overall reliability, down 2% points from June 2024.[224]

Mobile infrastructure summary

Mobile infrastructure continued to underpin connectivity for people on the move across New Zealand, supporting everyday use in urban areas as well as travel through rural, remote and tourist locations. The market is undergoing a structural transition, underpinned by technological advancement, as well as changing consumer needs.

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222 Commission analysis of Opensignal "New Zealand mobile network experience report" (September 2024 and October 2025), see https://insights.opensignal.com/new-zealand.

223 Opensignal "Global Mobile Network Experience Awards 2025: Reliability Experience – Large land area group top 20 operators" 27 February 2025, see https://insights.opensignal.com/2025/02/27/global-mobile-network-experience-awards-2025/dt#2025_global_awards_final_v9_Reliability%20Experience_Large_bar_chart.

224 Commission "Telecommunications Consumer Satisfaction Monitoring Report January – June 2025" pages 16–17, see https://www.comcom.govt.nz/about-us/research/telecommunications-research/telecommunications-consumer-satisfaction-monitoring-report-january-june-2025/.

As the MNOs prepared for the closure of their legacy 3G networks, they increased their geographic and population coverage for 4G. Just over half of all New Zealanders also have access to 5G networks. Additionally, new technologies such as satellite D2C connectivity have emerged as a complementary layer to terrestrial networks, particularly for remote coverage and resilience.

Mobile networks continued to deliver performance broadly in line with prior years, but international comparisons show that there is still room for improvement when compared globally. Future improvements depend more on network efficiency, spectrum use, and rollout of standalone 5G than on step-change increases in headline speeds.

Wholesale | Hoko rarawe

The wholesale market plays an important role in shaping outcomes at the retail level for consumers. Regulation usually applies where competition by itself is not enough to result in access to infrastructure or services that show natural monopoly characteristics. Regulation of the wholesale mobile market was integral in helping to facilitate the entry and expansion of New Zealand's third mobile network 2degrees. Wholesale activity generally takes place on commercial terms, subject to certain regulatory provisions.

This section looks at regulated wholesale mobile services and the MVNOs that exist in the New Zealand market. Many of the contractual terms for these wholesale services are commercial and confidential, which limits the information available for analysis.

Mobile access regulation

Over time, certain regulatory protections have been put in place to preserve incentives for competitive outcomes in the mobile market. These include price caps for Mobile Termination Access Services (**MTAS**), for services that are critical in a multi-operator environment, such as mobile co-location, national roaming, and number portability.

With three established MNOs now operating in the market, the wholesale regulatory protections provide a backstop for commercial negotiations. Regulatory settings are regularly reviewed to ensure that they remain fit-for-purpose.

The Act sets out the wholesale services that are subject to regulation and requires the Commission to consider, at least every five years, whether there are reasonable grounds for considering the removal of regulation of these services.[225] If we find that reasonable grounds exist, we must then undertake an investigation, which results in a recommendation to the Minister if we believe that regulation should be removed.

Table 5.2 outlines the wholesale mobile services that are regulated, including any ongoing reviews of those regulations.

[225] Telecommunications Act 2001, clause 1(3) of Schedule 3.

Table 5.2 Regulated wholesale mobile services

Wholesale service	Description	Recent and upcoming work
National Roaming	National Roaming allows customers of one cellular network to use another network when they are outside their own provider's coverage area within New Zealand. It supports regulated wholesale access to MNO networks for a period of time to any new network operator.	• We undertook our latest review of National Roaming in 2023. We retained the regulatory backstop to ensure existing network operators deal with access seekers on reasonable terms. • We must complete our next reasonable grounds assessment of National Roaming by mid-2028.
Mobile Co-location	Mobile Co-location allows an MNO to locate its equipment on another MNO's existing tower infrastructure. Co-location helps reduce network infrastructure costs for existing and potential MNOs by providing for the sharing of network infrastructure.	• We last reviewed Mobile Co-location in 2021, opting to keep regulation as co-location by MNOs remained active. • We were required to complete our next review of this service by May 2026. • We published our final decision in February 2026 that there are reasonable grounds to undertake an investigation as the structure of the market had changed.[226] • The investigation will commence in 2026.
Mobile Termination Access Services (MTAS)	MTAS are the termination services a fixed or cellular network operator needs to allow its subscribers to communicate with the subscribers of a different cellular network. Prices for MTAS are regulated at 3.56 cents per minute for voice calls and 0.06 cents per SMS.	• MTAS was last reviewed in 2020 so we were required to consider if there were reasonable grounds for removing regulation by September 2025. • Our draft (November 2024) and final reasonable grounds papers (March 2025) found reasonable grounds existed, so we commenced an investigation into the deregulation of MTAS. • Our final investigation report (March 2026) recommended (to the relevant Minister) deregulation of MTAS as it is no longer required.

226 The sale by MNOs of their towers to TowerCos means the regulation no longer best fits the market structure of third parties owning the majority of towers.

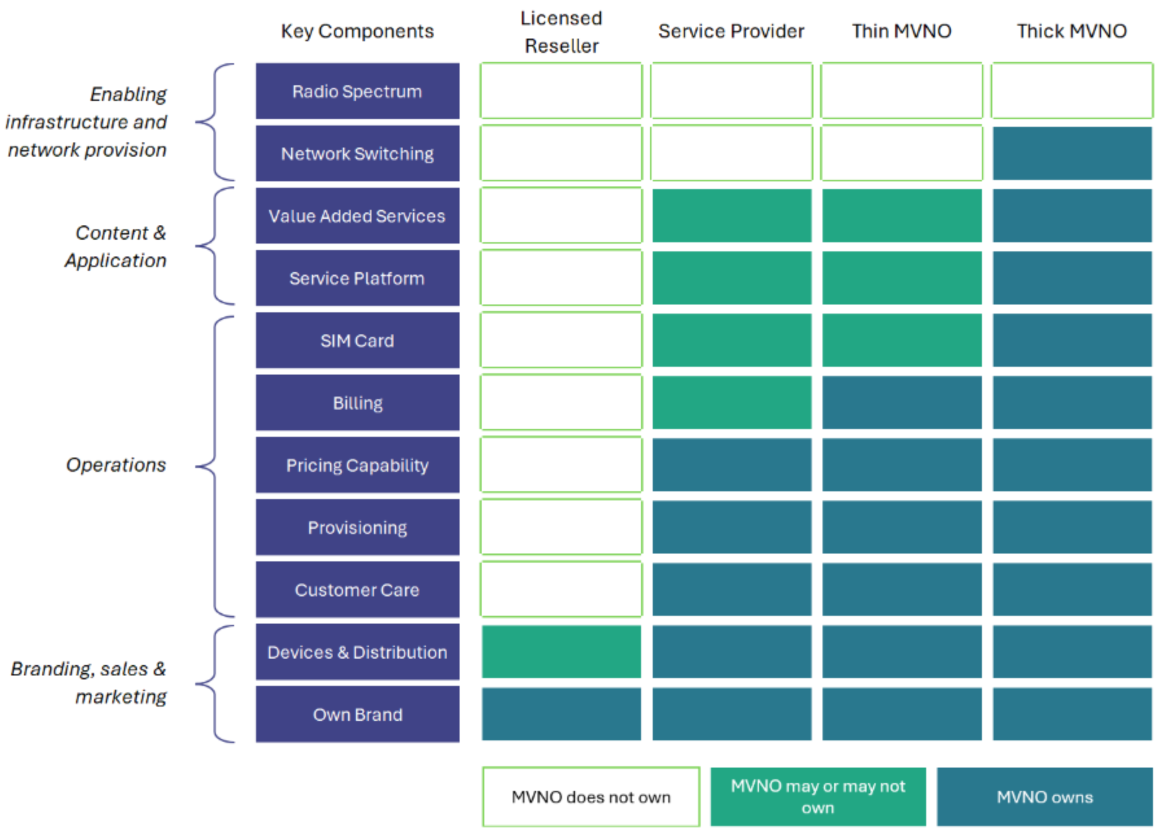
Wholesale service	Description	Recent and upcoming work
Number Portability	• Local (landline) and cellular (mobile) number portability services allow users to change providers but retain their phone number. These services are designated in the Act—a Commission Determination in place since 2021 sets out allocation and terms that parties must follow to give effect to the portability obligation.	• We completed a reasonable grounds assessment in the second half of 2025, finding no reasonable grounds existed to investigate deregulation, given the ongoing importance of switching and competition.

Mobile Virtual Network Operators (MVNOs)

An MVNO is a mobile provider that does not own the network infrastructure or spectrum over which it provides services to its consumers. An MVNO enters into an agreement with a MNO to obtain bulk mobile services at wholesale rates, then sets retail prices and sells services to consumers independently.

There are a range of operating models that MVNOs across the globe utilise. These models typically range from “thin” (simple or branded resellers such as Warehouse Mobile or Kogan), through to “thick” (that have greater operational control and service capabilities such as Ting, an MVNO in the USA) (Figure 5.13).

Figure 5.13 Range of MVNO operating models



Source: Red Dawn Consulting, amended for this context[227]

In New Zealand, most MVNOs are at the thin end of the spectrum. They rely on the host MNO for complex and expensive elements of the service, such as network infrastructure and value-added services, while they focus on elements such as branding, customer service, and provision of SIMs or eSIMS.

We identified 16 national MVNOs operating in New Zealand as at June 2025, an increase of 14% (14 in 2024).[228] As shown in Table 5.3, all three MNOs were hosting MVNOs on their networks.

[227] Red Dawn Consulting "MVNO landscape: Global perspectives and New Zealand Applications" (14 May 2019) page 11, see https://www.comcom.govt.nz/__data/assets/pdf_file/0025/146680/RDC-MVNO-landscape-14-May-2019.PDF.

[228] Our definition of an MVNO for this report is an organisation that utilises an MNO network to supply mobile services and these services are sold to residential consumers with current offers available via the MVNO's website. We do not include sub-brands such as Skinny or Slingshot, as these brands are part of an MNO's overall mobile strategy and not independent from that perspective. We have only included MVNOs that sell retail residential services. We know of two others that sell retail business mobile services only.

Table 5.3 MVNOs operating in New Zealand

MVNO	Owner	Industry	MNO host
Warehouse Mobile	The Warehouse Group	Retailer	2degrees
Kiwi Internet	Mercury IT	Telco	2degrees
Kiwi Mobile	Electric Kiwi	Energy retailer	2degrees
Nova Energy Mobile	Nova Energy	Energy retailer	2degrees
Contact Mobile	Contact Energy	Energy retailer	One NZ
Netspeed	Netspeed	Regional telco	One NZ
Primo	Primo	Regional telco	One NZ
Rocket Mobile	MyRepublic	International telco	One NZ
Mighty Mobile	Kogan / Mighty Mobile	Online retailer	One NZ
Kogan Mobile	Kogan / Mighty Mobile	Online retailer	One NZ
Gecko	Engage Technology	Regional telco	One NZ
Telsim NZ	Telsim NZ	Telco	One NZ
Ultimate Broadband	Ultimate Broadband	Regional telco	One NZ
Mercury	Mercury Energy	Energy retailer	Spark
Zeronet	Compass Communication	Telco	Spark
Wireless Dynamic	Wireless Dynamic	Regional telco	Spark

Source: Commission analysis

This increase in the number of MVNOs was consistent with an international trend towards increased network utilisation by MNOs as they seek to monetise ongoing investments into their networks. The MNOs have been increasing investment in their mobile virtual network enablement platforms, with the goal of effectively and efficiently managing partnerships with MVNOs. One NZ and 2degrees both partnered with service providers to enable and simplify MVNO agreements.[229]

MVNO agreements are reached on commercial terms so there was no public information on wholesale prices. However, all three MNOs had multiple MVNOs as wholesale customers, suggesting a degree of competitive tension at this level of the market.

[229] Reseller News "One NZ deploys Launchpad platform from Matrixx Software to drive MVNO growth" (24 April 2024), see https://www.reseller.co.nz/article/2092502/one-nz-deploys-launchpad-platform-from-matrixx-software-to-drive-mvno-growth.html; eCommerce News New Zealand "2degrees accelerates MVNO growth with Totogi SaaS platform switch" (3 July 2025), see https://ecommercenews.co.nz/story/2degrees-accelerates-mvno-growth-with-totogi-saas-platform-switch.

Wholesale D2C providers

At the wholesale level, Starlink was the only operator of a satellite constellation proving D2C services for retail use, with about 650 satellites in orbit, offering text, data and IoT connectivity.[230]

Other satellite operators, such as Viasat, OneWeb, Intelsat, Globalstar and Skylo also had D2C capabilities, but these services were not available for retail use or were only available for specific devices based on enterprise level agreements.

D2C services have been quickly adopted across the globe, primarily down to their ubiquitous coverage offering and ability to connect with some existing 4G/5G devices. Juniper Research reports that satellite provider revenue from D2C services is likely to increase more than 260%, to $370m in 2026,[231] suggesting a rapid uptake of services through MNO partnerships. Satellite D2C shows promise in complementing the existing terrestrial network, to provide coverage in particularly hard-to-reach areas, such as remote New Zealand. Global players such as Starlink and AST SpaceMobile are ramping up technology improvements, to increase compatibility with older existing devices.

D2C services have limitations, particularly in respect of emergency calling. They will nevertheless enhance options for contacting emergency services but with service rollouts being slow, device compatibility still limited, and services requiring a clear line of sight to the sky, D2C services are unlikely to immediately replace any tried and tested emergency connectivity options such as personal locator beacons.

We will discuss D2C developments in New Zealand further in next year's report.

Direct-to-device (**D2D**) services are starting to enter the market globally.[232] D2D services will enable connectivity to smartphones as well as other specialised hardware and IoT devices. Network tests show that D2D technology has capability to bring SMS, voice and data capabilities to mobile phones.[233]

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230 Starlink "Starlink Mobile", see https://starlink.com/business/direct-to-cell?srsltid=AfmBOoqhVOZOg2bOw_BLNGVbx0En3T64NiP04Aki7rvj0rEn5qlM8fZ-.

231 Juniper Research "Global D2C Revenue Set for $370 Million Surge, But Satellite Operators Should Not Chase Full MNO Status" (December 2025), see https://www.juniperresearch.com/press/global-d2c-revenue-set-for-370m-surge/.

232 Lynk "FCC Grants Lynk Global License Modification for Commercial Direct-to-Device Service in U.S" (30 April 2025), see https://lynk.world/news/fcc-grants-lynk-global-license-modification-for-commercial-direct-to-device-service-in-u-s/.

233 Lynk "Lynk and Turkcell Successfully Demonstrate Direct-to-Device Technology via Low Earth Orbit (LEO) Satellites in Türkiye" (25 March 2025), see https://lynk.world/news/https-lynk-world-news-https-lynk-world-news-lynk-and-turkcell-successfully-demonstrate-direct-to-device-technology-via-low-earth-orbit-leo-satellites-in-turkiye/.

Mobile wholesale summary

The mobile wholesale market continued to play a supporting role in shaping competition and consumer outcomes in New Zealand. The Commission continues to review which regulatory settings remain an important backstop to ensure access and fairness in key areas of the market that display natural monopolistic characteristics.

The number of MVNOs continued to rise as all three MNOs look to maximise network capacity via MVNO agreements. A number of these were energy providers, branching out to offer bundled deals to consumers. As more MVNOs begin retailing services, we will continue to monitor market activity and overall competition at the wholesale level.

Satellite direct-to-cell services represent a nascent wholesale capability, with Starlink the only provider enabling retail D2C services in New Zealand. As additional MNOs introduce D2C offerings through different partnerships, wholesale satellite connectivity is likely to become a more relevant input into the mobile services ecosystem, though it remains complementary to terrestrial networks.

Retail | Hoko ā-toa

Retail telecommunications markets are where combinations of infrastructure and wholesale offers are packaged up by competing firms/brands to be marketed to consumers. The structure of the retail market has the most direct effect in shaping the experience of consumers. The retail mobile market structure has been significantly shaped by past wholesale access regulation, spectrum allocation decisions and the three MNOs enhancing their networks to offer more and better mobile connectivity to Kiwi homes and businesses.

This section examines the retail mobile market structure, concentration and associated trends, including changes in market share by providers. It then looks at the retail mobile plans, with a focus on data allowances, which is the main differentiator in plans. It also looks at retail pricing, including where we continued to see differences in plans between MNOs and MVNOs.

> Retail mobile services are predominantly supplied by three MNOs—2degrees, Spark and One NZ. There were 16 MVNOs across all three MNO networks, that serve a small but growing share of mobile subscribers.

Market structure and concentration

Retail market concentration

Market concentration—the extent to which the distribution of the market across firms is limited to relatively few firms—is an important structural characteristic of a market.

> There are several ways to look at market concentration. We have chosen to use both HHI and a simpler market concentration ratio (CR):
>
> - HHI analyses market shares of each firm in a market to determine a value of market concentration—an HHI between 1,500 and 2,500 indicates moderate concentration, whereas values above this indicate high concentration.
> - The market concentration ratio looks at the market shares of the providers relative to the total market share. The analysis in this report uses CR3, which measures the market share of the three biggest providers in a market, and CR5, which measures the five largest providers in a market. Please note that information about Spark for this section includes its sub-brand Skinny.

The New Zealand mobile market remains a highly concentrated three-player oligopoly considering both the market concentration ratio and HHI.

The mobile market in New Zealand remained highly concentrated at the retail level, with an estimated HHI of 3,289 in 2025.[234] This represents a small decrease from the 2024 estimate of 3,343, indicating a modest reduction in market concentration across both residential and business segments (Table 5.4).

In comparison, the national retail broadband market continued to be less concentrated, with an estimated HHI of 1,782 in 2025. While both sectors were dominated by a few large providers, the broadband market maintained a more competitive structure than the mobile market.

Table 5.4 Mobile market concentration ratio and HHI

Metric	National mobile market	National broadband market (residential and business)
HHI	3,289 (down from 3,343)	1,782
CR3	96.8% (-0.7pp)	68%
CR5	98.4% (-0.5pp)	82%

Source: Commission data

In 2025, the three MNOs held 96.8% of all mobile subscribers, compared with 97.5% in 2024 (Table 5.5). The top five providers held 98.4% of the market, down from 98.9% last year. These shifts indicate a small reduction in concentration at both the CR3 and CR5 levels. MVNOs account for 3.2% of the mobile market, up from 2.5% in 2024.

Table 5.5 Market share of MNOs and MVNOs

Year	MNO market share	MVNO market share
Jun-20	98.6%	1.4%
Jun-21	98.2%	1.8%
Jun-22	98.7%	1.3%
Jun-23	98.4%	1.6%
Jun-24	97.5%	2.5%
Jun-25	96.8%	3.2%

Source: Commission data

234 HHI is calculated as the sum of the squares of the market shares of the MNOs (including their sub-brands) and the MVNOs included in the Annual Industry Questionnaire.

In contrast, the national broadband market, which includes residential and business services, remained less concentrated than the mobile market. Building and operating a nationwide mobile network requires high levels of investment in spectrum and infrastructure, and only a small number of operators can achieve the scale needed to compete sustainably. While there is wholesale access for prospective mobile service providers, there is not open access on a regulated basis like in broadband markets, so mobile providers are required to negotiate access on commercial terms.

MVNO market share growth

The MVNO market continued to evolve over the last few years. Aside from 2022, when Vocus merged with 2degrees, MVNO market share has been steadily increasing, with relatively large increases over the last two years.[235]

As at 30 June 2025, there were 221,000 MVNO subscribers, up 28% from 172,000 in 2024. The MVNO market share of 3.2% in 2025 was the highest to date in New Zealand, but it was still low internationally.[236]

The largest MVNOs as at 30 June 2025 are outlined in Table 5.6.

Table 5.6 Largest MVNO market share

MVNO	Estimated share of MVNO connections	Estimated share of mobile market
Kogan	30%	1.0%
Warehouse Mobile	21%	0.7%
Mercury	17%	0.5%
Nova	12%	0.4%
Rocket Mobile	8%	0.3%

Source: Commission analysis[237]

Kogan accounts for nearly a third of MVNO connections, representing roughly 1% of mobile connections in the market. Nova and Mercury in third and fourth highlight the popularity of bundling among consumers who go with an MVNO.

235 This merger meant Vocus's mobile customers were counted within the MNO total (instead of MVNO) from 2022 onwards.

236 S&P Global "MVNOs World 2025: eSIMs and cloud solutions expand opportunities" (13 June 2025), see https://www.spglobal.com/market-intelligence/en/news-insights/research/mvnos-world-2025-esims-and-cloud-solutions-expand-opportunities.

237 These market shares are estimated and reflect some data from different points in the year.

The number of MVNOs nearly doubled since our monitoring report in 2022 (some were disestablished or merged in that time also). New MVNOs that entered the market in recent years include Kiwi Mobile, Telsim NZ and ZeroNet. This recent growth in market share was also supported by:

- Energy retailers offering bundled services which consumers are increasingly taking up; and
- The increasing number of innovative MVNO offerings that target niche market demands and consumer types, such as variable speed plans, different pricing strategies, and cheaper plans for budget-conscious consumers.

The long-term sustainability of the MVNO market depends on MNO wholesale strategies, but market trends show positive signs. While MNOs continue to have control over wholesale pricing, they also have incentives to maximise network utilisation, which helps promote healthy competition in the market.

Competition between MNOs

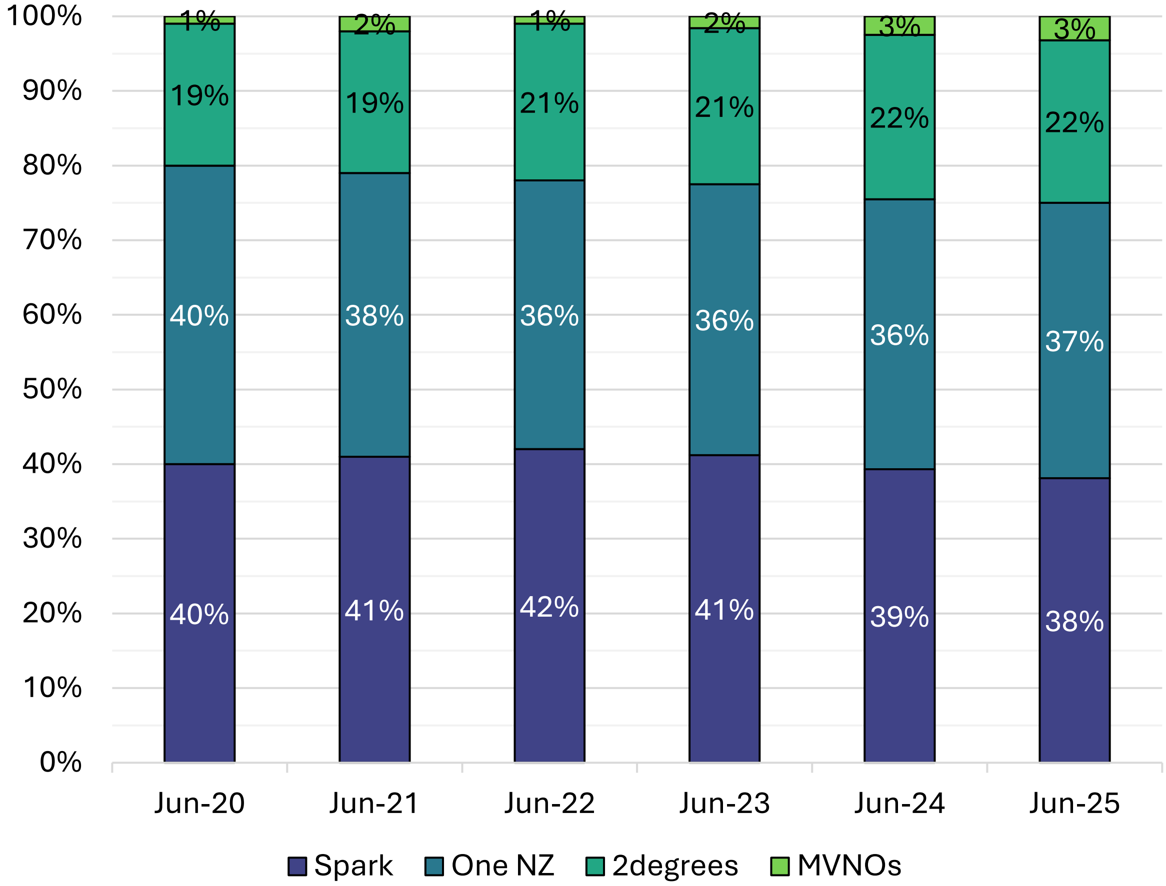
Having examined MNOs relative to the total market, it is important also to understand the level of competition that exists among MNOs. To do this, we look across the market shares of MNOs to identify whether any volatility exists over time.[238] At a high-level, we would interpret volatility between provider market shares as an indicator of competition.

While we do not have the data required to produce a long time series,[239] Figure 5.14 does suggest some fluctuation in the market shares between MNOs.

[238] While shifts in market shares may indicate competitive dynamics between providers, such volatility can also reflect factors such as promotional activity, customer churn, or changes in underlying data, and should therefore be interpreted with caution.

[239] Due to a change in methodology between 2019 and 2020 for calculating this metric, prior data is no longer comparable.

Figure 5.14 MNO market shares 2021–2025



Source: Commission data[240]

Over the past year, One NZ was the only MNO to grow its market share. Spark's share fell slightly and 2degrees remained relatively stable. Over the last three years we saw One NZ close the gap on Spark. At this rate, we could see market share for these providers equalise in the next reporting period. 2degrees maintained its position as a well-established, yet smaller, MNO.

Retail offers

Mobile retail offers in the retail telecommunications market are made up of three key components:

- Plan types—prepaid vs postpaid.
- Plan allowance of texts, calls and data.

[240] Market share is calculated using the sum of total prepaid mobile subscribers (six-month), total on-account residential mobile subscribers, and total on-account business mobile subscribers. These figures may differ from other New Zealand mobile market share estimates that use alternative methodologies.

- Data speeds.

Service characteristics—plan type

There are two types of mobile plans—prepaid and postpaid:

- Prepaid plans require consumers to load credit onto their accounts. Using this credit, consumers can then purchase bundles of calls, texts and data or pay as they go (casual users).
- For postpaid plans, providers send consumers a regular bill each month for the service.

In 2025, 58% of residential mobile consumers were on prepaid plans, a slight decrease from 59% in June 2024. Until June 2022, we observed a steady shift from prepaid to postpaid plans, driven largely by the growing uptake of interest-free phones bundled with postpaid offerings.

However, over the past three years, the proportion of residential consumers on prepaid plans remained relatively stable. This stability appears to reflect a balancing point between increasing consumer focus on affordability amid ongoing cost-of-living pressures and MNOs pushing consumers to postpaid plans. Prepaid plans offer greater flexibility and help households manage their mobile spending more effectively.

Internationally, consumer preferences for prepaid mobile plans remained stable or rose slightly in most countries. In Australia, the number of prepaid connections rose 4%, from 11.8 million in 2024 to 12.3 million in 2025.[241] While the proportion of prepaid subscriptions the UK fell by 0.77pp, from 25.3% in 2022 (21.81 million) to 24.53% in 2025 (22.07 million), in Ireland, the proportion of prepaid subscriptions rose 12%, from 33% in 2022 to 37% in 2025.[242]

241 ACMA "Trends and Development in Telecommunications 2024-25" page 22, see https://www.acma.gov.au/sites/default/files/2026-02/Trends%20and%20developments%20in%20telecommunications%202024-25.pdf.

242 ComReg "Mobile Consumer Experience 2025" (5 March 2025) page 19, see https://www.comreg.ie/publication/mobile-consumer-experience-2025-survey-results?pub_type=consumer; Ofcom "Telecommunications Market Data Update Q2 2025" (16 October 2025) page 15, see https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/telecoms-research/telecoms-data-updates/telecommunications-market-data/telecommunications-market-data-update-q2-2025.pdf; Ofcom "Telecommunications Market Data Update Q2 2022" (27 October 2022) page 15, see https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/telecoms-research/telecoms-data-updates/q2-2022-telecoms-data-update.pdf.

Between 2022 and 2024, the number of consumers on prepaid plans in the United States rose 5%, from 55.7 million to 58.6 million. In the same period, Canada also saw a rise of 6%, from 4.06 million to 4.30 million respectively.[243] Overall, these patterns suggest that prepaid mobile offerings remain a valued choice across the globe, particularly where cost control, flexibility, and low commitment are valued.

Service characteristics—plan allowance

Three types of plan allowance for mobile data are commonly used:

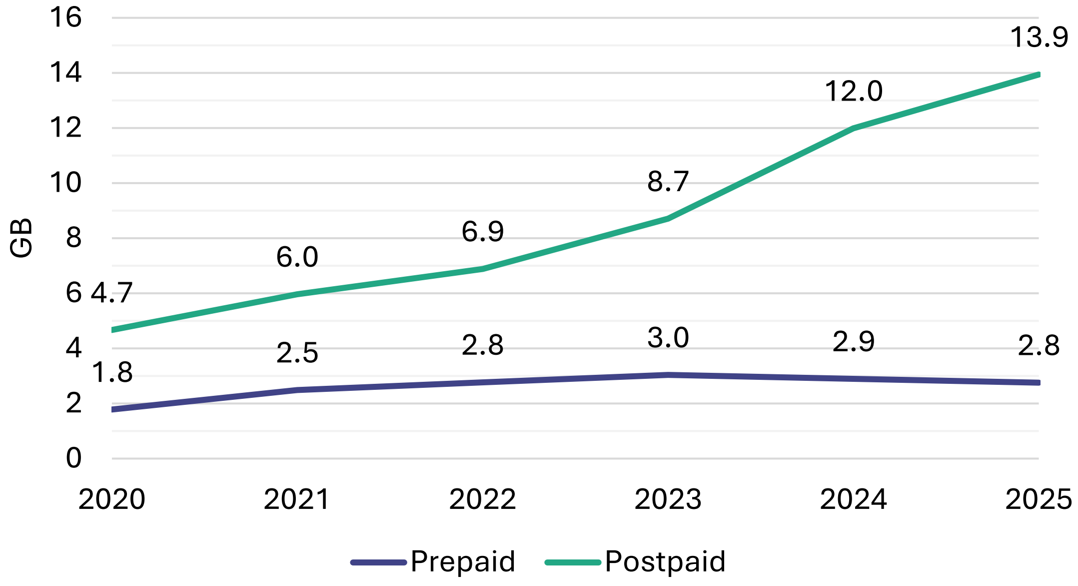
- **Capped**—A fixed data cap. After the cap is reached, the consumer no longer has access to mobile data. Unused capped data often rolls over the following month.
- **Endless**—A fixed amount of max-speed data. Once this limit is reached, the consumer continues to have unlimited data but at a reduced speed (eg, 1.2Mbps).
- **Unlimited**—Consumers have access to unlimited max-speed data that does not run out. Fair use policies may apply.

Data

Average postpaid data usage increased by a significant 9.2GB (195%) between 2020 and 2025 (Figure 5.15). This growth likely reflected a combination of factors, including providers migrating consumers onto higher-data plans, which increases available data, as well as faster mobile speeds (such as 5G), which allow people to use more data-heavy services like video streaming.

243 ITU "Mobile-cellular subscriptions: Prepaid", see https://datahub.itu.int/data/?i=193&v=chart.

Figure 5.15 Average residential monthly mobile data use



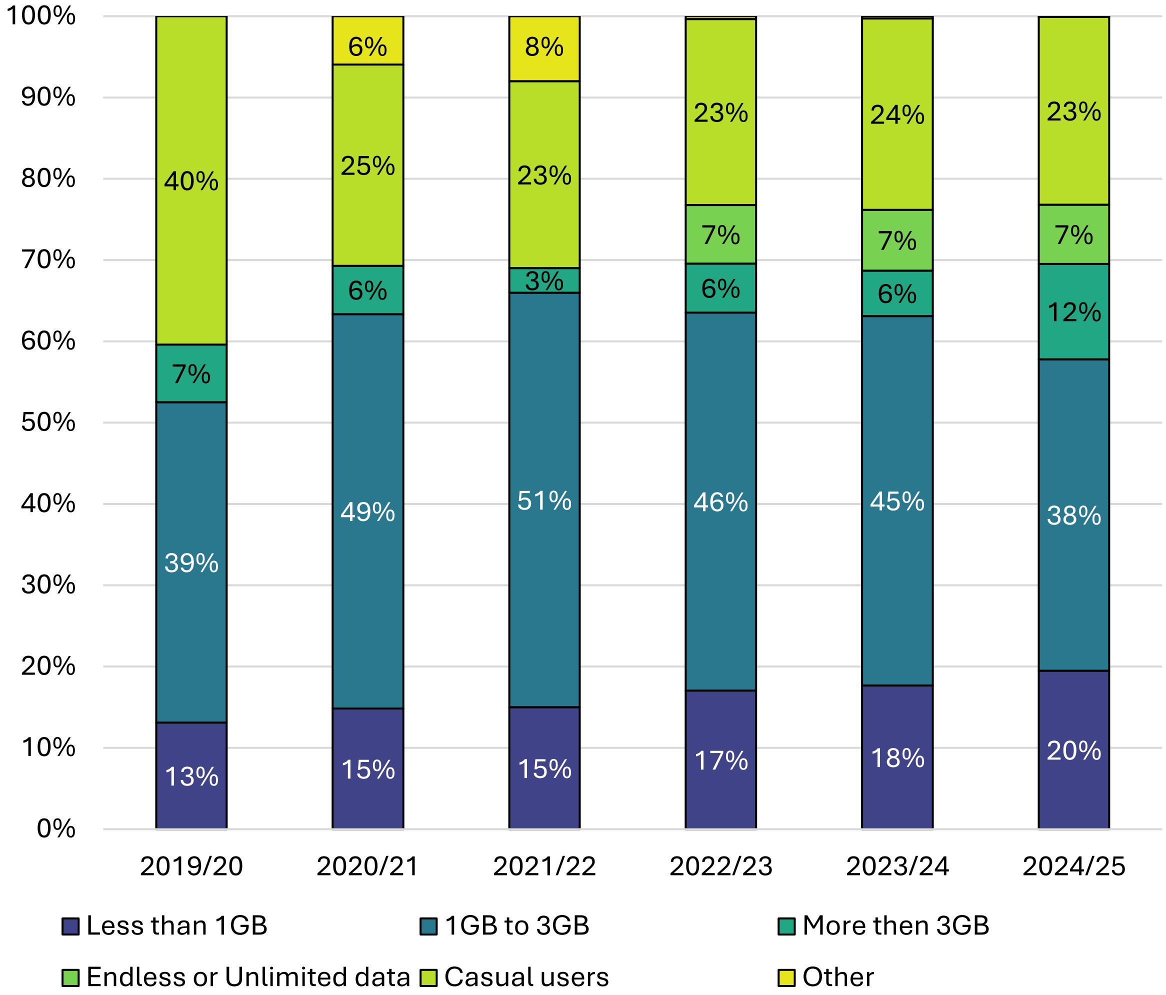
Source: Commission data

While average prepaid data usage has grown by 1GB since 2020, it has remained stable since 2022 at just under 3GB per month.

Data allowances

The composition of data allowances in prepaid plans is consistent with this, also largely remaining stable over time. Between June 2024 and June 2025 (Figure 5.16), we observed a shift from prepaid plans with 1–3GB data caps toward plans offering more than 3GB. The share of consumers on plans with over 3GB increased from 6% to 12%, reflecting mobile providers' moves to boost data caps on some of their lower-tier plans.

Figure 5.16 Data allowances of residential prepaid plans



Source: Commission data[244]

The proportion of consumers on prepaid plans with data allowances below 1GB also increased between June 2020 and June 2025. This may relate to households moving away from traditional landlines and opting for lower-cost mobile alternatives. We discuss landline pricing in the retail section of the Urban and Rural chapters.

The share of prepaid consumers on endless or unlimited data prepaid plans (both 'endless' and 'unlimited') remained stable at 7% from June 2023 to June 2025.

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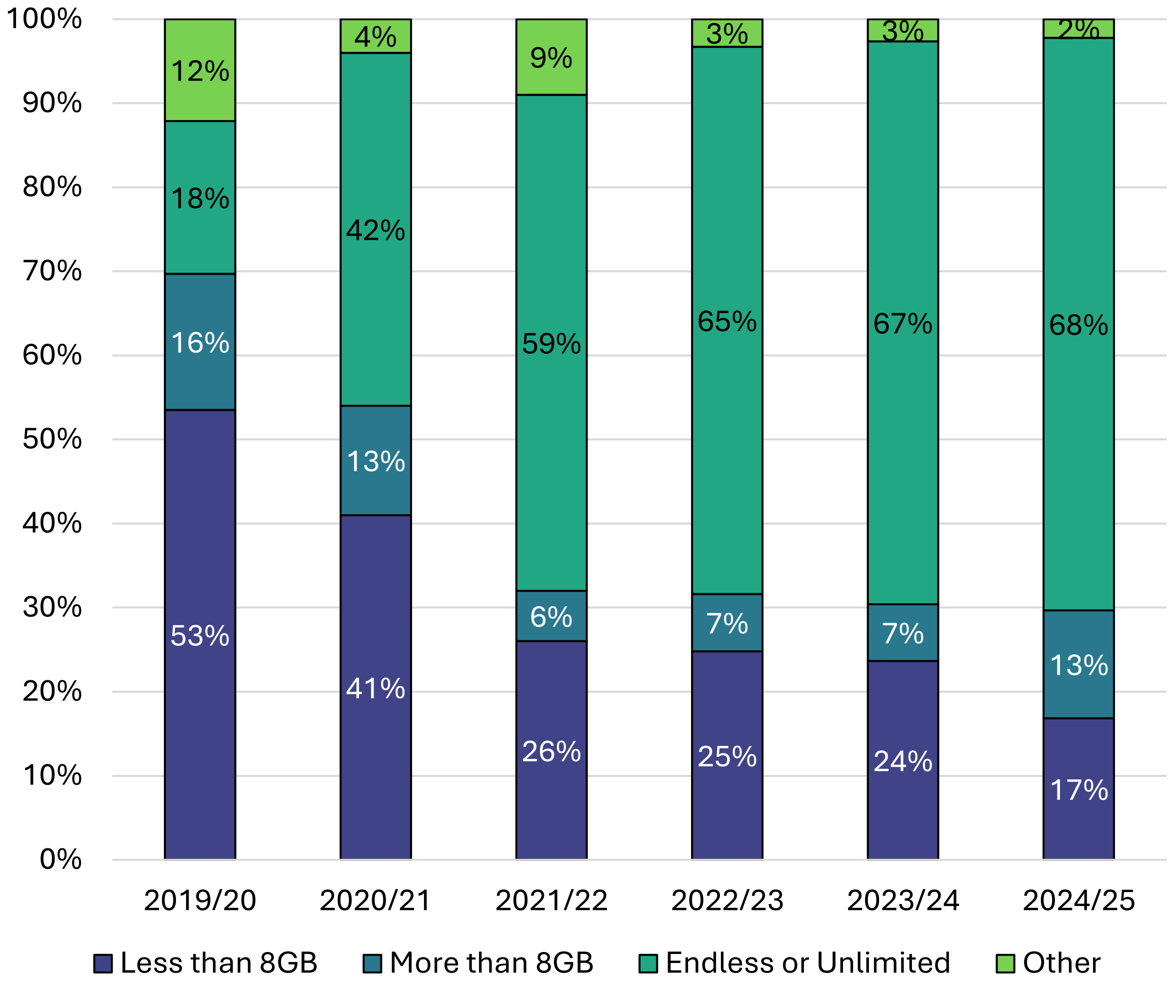
244 Casual users top up their prepaid account with credit but do not buy a monthly recurring plan and consume calls, texts and data on a per minute/message/GB basis. Other includes any other plans not covered in the existing categories. Up to 2021/22, this included endless data plans until we split out this information in 2022/23.

In contrast, most postpaid users (68%) were on either endless or unlimited data plans (Figure 5.17), reflecting strong marketing by MNOs and growing consumer demand for the certainty of unlimited data. This trend also points to a broader shift toward unlimited data offerings differentiated by speed tiers.

Figure 5.17 Data allowances of residential postpaid plans



Source: Commission data

Some providers offer consumers flexibility to control their spend on an intra-month or inter-month basis. For example, Electric Kiwi's Kiwi Mobile lets customers move up through data tiers with an increasing daily rate if they need more data throughout the month.[245]

Voice and texts

Most prepaid and postpaid plans offer unlimited texts and calls.

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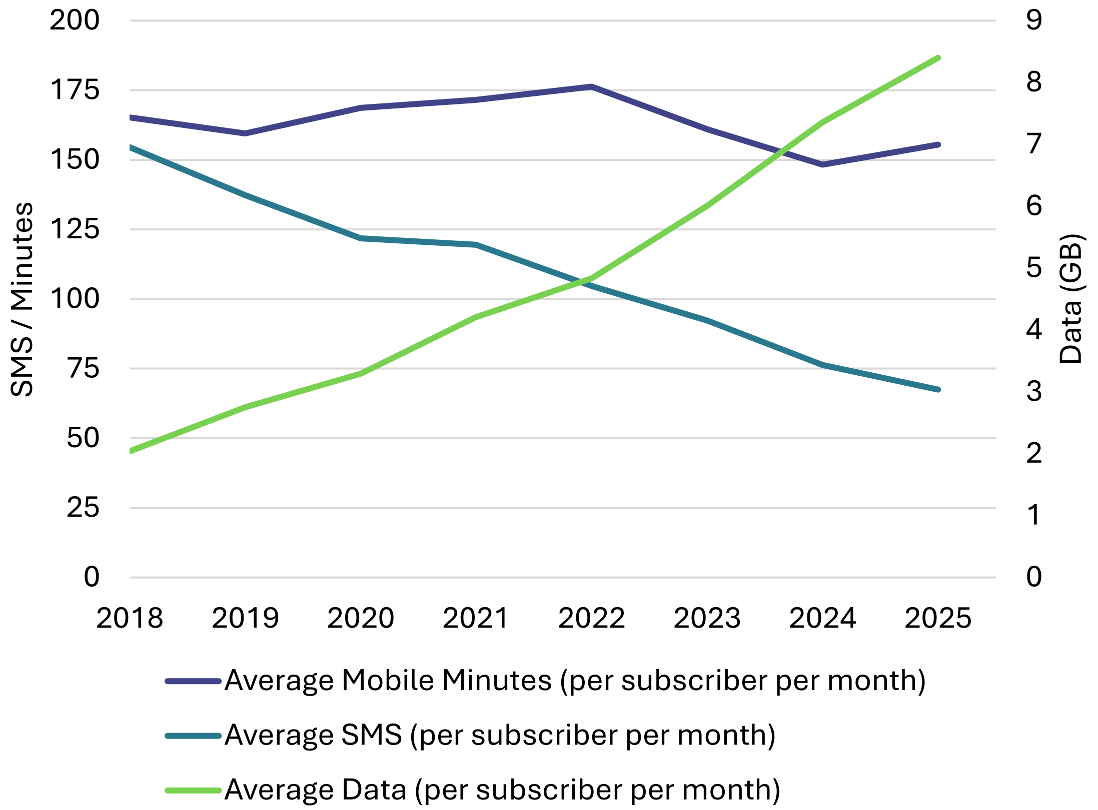
245 Alternatively, these consumers will shift to a throttled data speed if their maximum speed data runs out.

Even though mobile competition today is mostly about data, voice calls and texts are still core mobile services. However, the way in which consumers are making voice calls and sending messages is changing. Over the last few years (Figure 5.18), call volumes levelled off and text messages fell sharply as people moved to apps like WhatsApp and Messenger.

Figure 5.18 Average residential mobile usage—minutes, SMS and data



Source: Commission data

Despite this increasing use of alternative platforms, mobile voice and SMS remained important everyday services. New Zealanders still make billions of mobile call minutes each year, and voice calling remains essential for many basic uses, including calling family, workplaces and support services. Importantly, mobile voice is the only way to call emergency services such as 111, as emergency calls cannot be made through data-only or app-based calling services. This makes mobile voice a critical service from a safety and public interest perspective. It also provides competition to fixed line voice services, such as landlines over copper and other technologies.

Voice and SMS also play an important role in network resilience. They generally work in a wider range of conditions than high-speed data, including during congestion, coverage gaps, or network disruptions. Text messages can often be delivered when data services are slow or unavailable, and are widely used for alerts, verification messages and service notifications. As a result, while data has become the main focus of retail competition over time, voice and SMS continued to underpin mobile services as reliable, baseline capabilities, especially when they are needed most.

Service characteristics—speeds

As at 30 June 2025, three providers sold mobile plans based on their speed:

- Mighty Mobile offers three unlimited data plans at different speeds. Customers could choose between up to 10Mbps, up to 50Mbps and Max speed data.
- Rocket Mobile (previously My Republic) offers four unlimited data plans at different speeds. Customers could choose between up to 2Mbps, up to 10Mbps, up to 40Mbps and Max speed data.
- Zeronet (previously Compass Communications) was the newest provider offering speed tiered plans, having launched in February 2025.[246] Zeronet offers three unlimited data plans at different speeds. Customers could choose between up to 3Mbps, up to 10Mbps and Max speed plans.

The speed a consumer experiences on a mobile plan will vary depending on factors such as their distance from a cell tower, whether they are indoors or outdoors, and whether they are connected to a 3G, 4G or 5G tower. Therefore, even a plan advertised as offering speeds up to 40Mbps will not achieve that speed all the time.

Speed-tiered unlimited data plans provide unlimited data without the risk of exceeding a cap and, as such, can be particularly beneficial for consumers who can choose a speed tier that matches their typical usage and budget.

[246] Interest “Another MVNO, Zeronet, steps into the fray, promising low pricing and no '13-month years' for customers” (11 February 2025), see https://www.interest.co.nz/technology/131867/another-mvno-zeronet-steps-fray-promising-low-pricing-and-no-13-month-years.

Retail pricing

We use the OECD Price Benchmarking database for some aspects of our pricing analysis. The OECD Benchmarking covers residential (non-business) plans from incumbent providers who collectively serve at least 70% of consumers in a given country. In the case of New Zealand, Spark, One NZ, 2degrees and Skinny are the brands included.

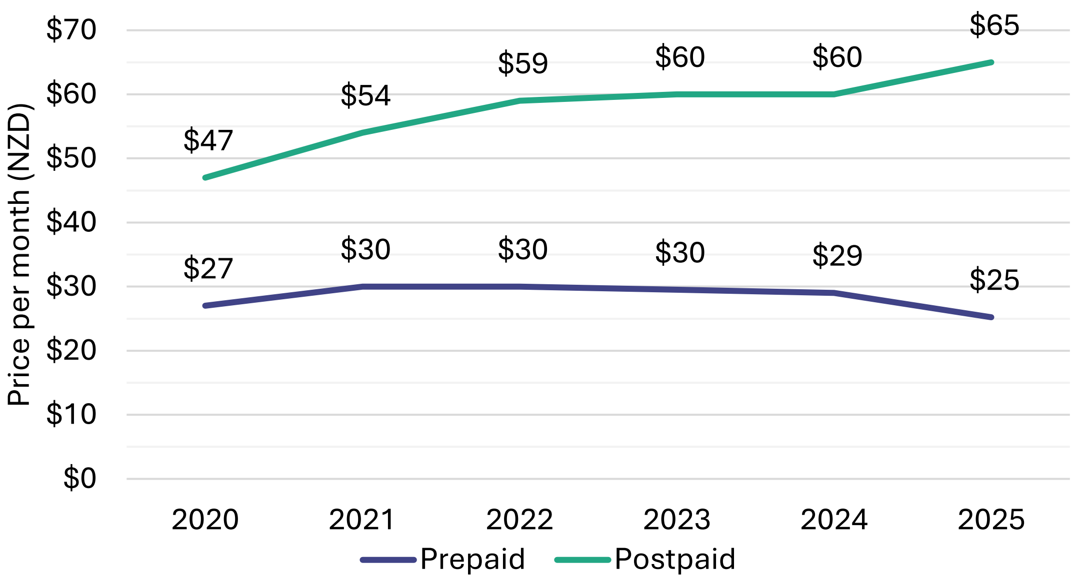
It's important to note the difference between Commission-reported average prices and OECD Benchmarking lowest prices:

- OECD shows the lowest priced plan among the biggest four providers, answering "what is the lowest price a consumer could pay for this service from a large provider?"
- Our mobile plan price ranges chart shows the range of retail price across 69 mobile plans from 12 service providers, answering "what is the range of prices people are paying if they bought this service in June 2025 from large or small providers?"

Prices by plan type

Since 2020, the monthly price to meet average postpaid mobile usage (minutes, SMS and data) rose by $18 (38%) to $65 per month, while the price to meet average prepaid usage dropped by $2 (7%) (Figure 5.19).

Figure 5.19 Price benchmarks to meet average mobile usage

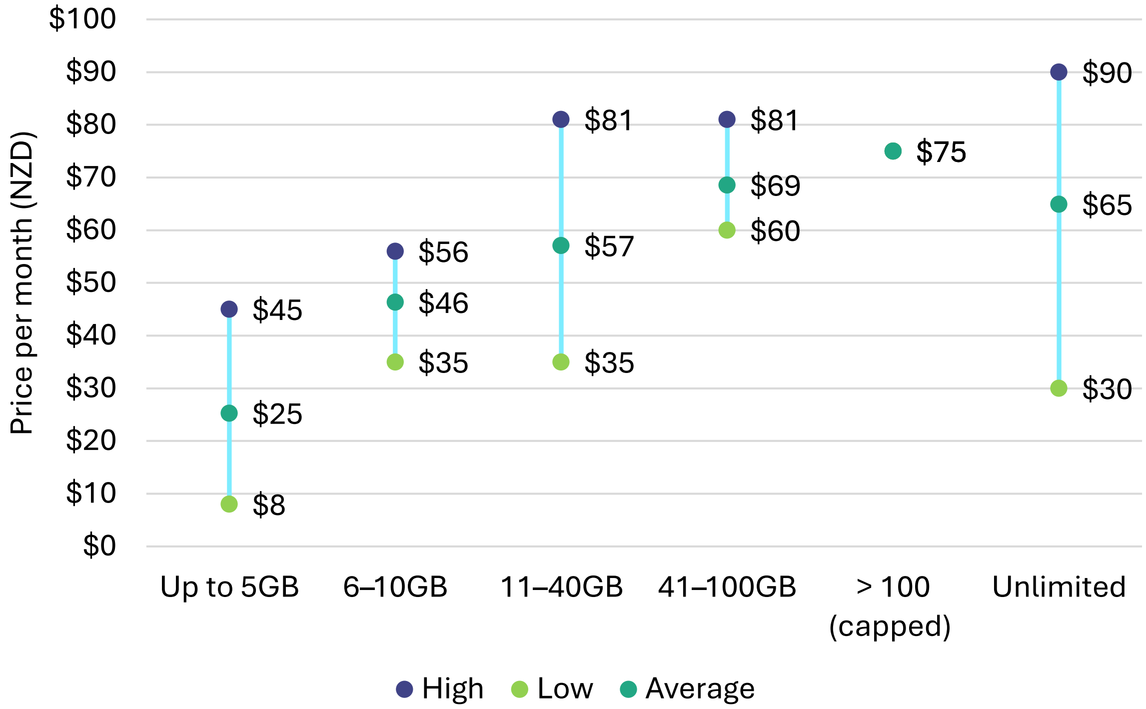


Source: OECD Price Benchmarking. Prices are nominal and not adjusted for inflation

The change in price to meet average usage seen in Figure 5.19 should be interpreted with some care. Our benchmark reflects the cheapest plan capable of meeting average usage in each year, so a lower result simply means that one eligible plan was cheaper than the comparable option the year before. Other plans may have increased in price, but this would not be captured in this chart as it only tracks the minimum cost of meeting average needs. Our monitoring suggests average prices have remained more stable than this analysis may indicate.[247]

Figure 5.20 shows there were generally a range of price points at each data tier. This includes differences in pricing between prepaid and postpaid plans. Some plans may also offer extras such as a streaming media subscription.

Figure 5.20 Mobile plan monthly price ranges by data tier (prepaid and postpaid)



Source: Commission data from provider websites

247 We will consider ways we can improve this analysis in future reporting.

Comparing data across plans

Table 5.7 shows the 20 lowest cost mobile plans based on price per GB, assuming data is the most valued inclusion.[248] For unlimited data plans, a 150GB monthly usage level was used to calculate price per GB. Rocket Mobile and Mighty Mobile offer the cheapest plans with unlimited data but throttled speeds.

Table 5.7 Price per GB—20 cheapest per GB plans

Rank	Provider	MVNO / MNO	Type	Plan name	Price per GB	Speed limit (Mbps)
1	Rocket mobile	MVNO	Prepaid	Rocket Starter	$0.20	2
2	Mighty mobile	MVNO	Prepaid	Fast Plan	$0.27	10
3	Rocket mobile	MVNO	Prepaid	Rocket	$0.27	10
4	Rocket mobile	MVNO	Prepaid	Rocket Plus	$0.30	40
5	Mighty mobile	MVNO	Prepaid	Faster Plan	$0.33	50
6	Rocket mobile	MVNO	Prepaid	Rocket Max	$0.47	Max speed
7	Skinny	MNO	Prepaid	Unlimited Data	$0.47	Max speed
8	Spark	MNO	Postpaid	150GB Endless Plan	$0.50	Max speed
9	Megatel	MVNO	Postpaid	Endless Max	$0.53	Max speed
10	2degrees	MNO	Postpaid	Unlimited Max speed data	$0.53	Max speed
11	Mighty mobile	MVNO	Prepaid	Fastest Plan	$0.53	Max speed
12	2degrees	MNO	Prepaid	Unlimited Max speed data	$0.57	Max speed
13	OneNZ	MNO	Prepaid	Unlimited Prepay	$0.57	Max speed
14	One NZ	MNO	Postpaid	One Plan	$0.57	Max speed
15	Spark	MNO	Prepaid	Unlimited Prepaid Value Pack	$0.57	Max speed
16	Spark	MNO	Postpaid	Unlimited Data Plan	$0.60	Max speed

248 Divides price by data allowance in GB and excludes other inclusions such as minutes and texts. For unlimited plans, we have assumed 150GB.

Rank	Provider	MVNO / MNO	Type	Plan name	Price per GB	Speed limit (Mbps)
17	2degrees	MNO	Postpaid	80GB Carryover Data	$0.81	Max speed
18	Spark	MNO	Postpaid	75GB Endless Plan	$0.87	Max speed
19	Spark	MNO	Prepaid	80GB Prepaid Value Pack	$1.01	Max speed
20	2degrees	MNO	Prepaid	50GB Carryover data	$1.20	Max speed

Source: Provider websites

One of the key developments in the mobile market over recent years was the diversification of plan structures, especially in the unlimited segment. Unlimited data plans take numerous forms, ranging from Max speed offers with very large data thresholds to permanently speed-limited versions designed to keep headline prices low. There were also annual plans and group or shared-account discounts which can provide good value for some consumers.

This complexity has made simple price comparisons less meaningful. The term ‘unlimited’ has broadened to include products that, while not data-capped in a strict sense, are permanently speed-limited to levels that significantly constrain the types of activities a user can perform. The extremely low calculated price-per-GB therefore reflects their speed constraints.

MNO postpaid plan comparison

As at June 2025, the overall pricing landscape shows 2degrees maintained the lowest or equal-lowest prices across most postpaid data tiers, with Spark only matching 2degrees at the upper end and One NZ generally positioned higher (Table 5.8).

Table 5.8 MNO prices to meet data allowance categories—postpaid

Data allowance	2degrees	One NZ	Spark
S—up to 1.5GB			$21
M—1.5GB < X < 8GB	$40	$30 (3GB) $50 (6GB)	$45
L—up to 15GB	$50	$65	
XL—up to 80GB	$65	$70	$65
Unlimited	$80	$85	$90

Source: Commission data

While 2degrees shifted some plans upward, such as converting its former 100GB plan into an unlimited data offering at a higher monthly price, it still remained comparatively cheaper than the other MNOs in equivalent categories.

In late 2024, Spark updated its mobile plans by offering more data without making proportionate increases to monthly prices. This improved the “data-for-dollars” value of Spark’s plans, even where monthly prices remained above those of 2degrees.

One NZ focused on plan restructuring and feature additions such as satellite texting, rather than price reductions.

These developments occur in a highly concentrated market. This level of concentration helps explain why competition continued to focus on plan design, added services and structural changes rather than direct price-cutting in response to 2degrees’ comparatively lower pricing.

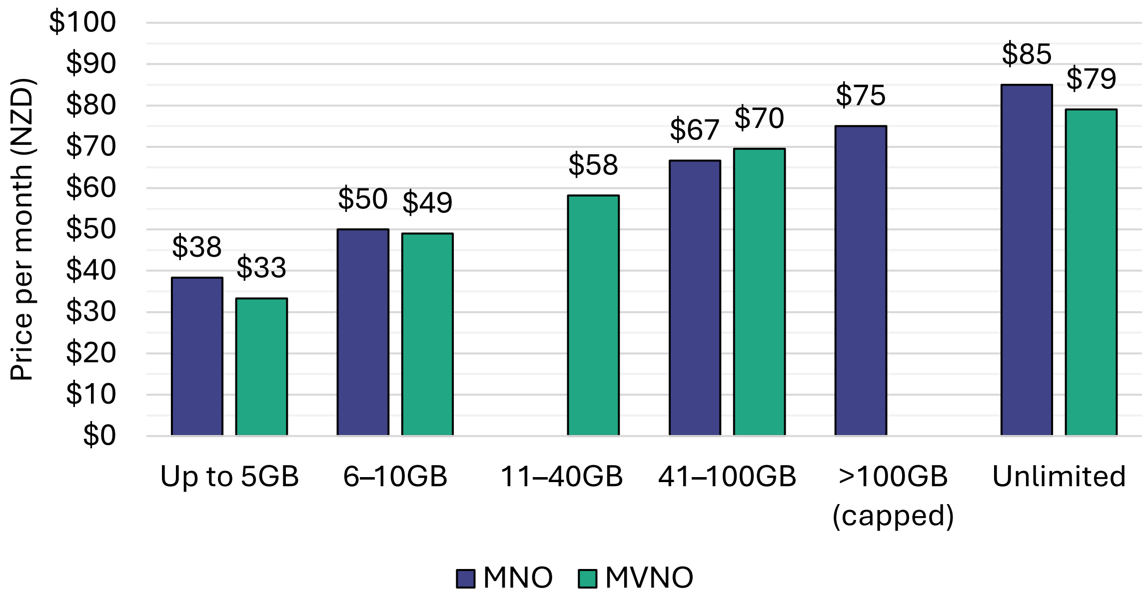
MNO vs MVNO pricing

MVNOs continued to expand their presence in the mobile space, offering low-cost alternatives across both prepaid and postpaid tiers. Their positioning was across most data tiers, including at lower to mid-tiers where price sensitivity is greatest and many consumers are more willing to accept speed constraints in exchange for lower monthly outlay. By contrast, MNOs tend to emphasise performance, network features and value-added services, especially in premium unlimited tiers.

Across almost all data tiers, MVNOs continued to set lower average prices than MNOs (Figure 5.21).[249] The contrast was most pronounced in the unlimited data category, where MVNO plans average around $6 less per month than their postpaid counterparts, albeit with (sometimes significant) speed restrictions.

[249] It is important to note that the sample size of some of these categories can be small, for example one plan, meaning that a change in a single plan can affect the relative prices. This means quarter on quarter, if a provider introduces or removes a special on a certain plan when we do our data collection, these differences can be much greater or smaller.

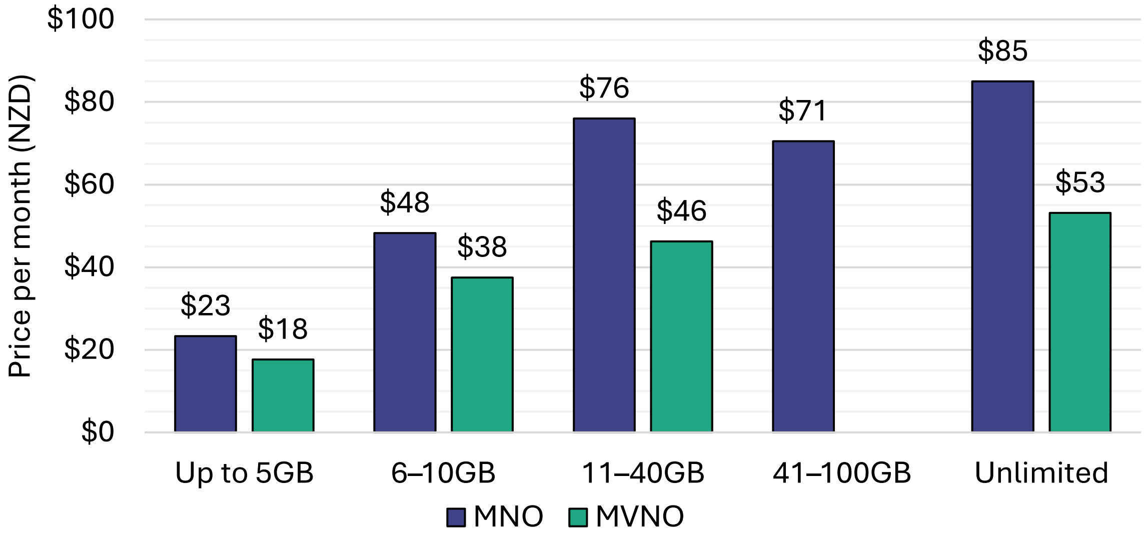
Figure 5.21 Average price of postpaid plans by data tier—MNO vs MVNO



Source: Commission data accessed from operator websites. Capped plans include endless data plans[250]

Figure 5.22 highlights that these lower average prices extend to prepaid plans as well, with an average $32 gap between MNO and MVNO prepaid unlimited data plans.

Figure 5.22 Average price of prepaid plans by data tier—MNO vs MVNO



Source: Commission data from provider websites[251]

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250 At the date of data collection, there were no MNO postpaid plans with a data cap between 11 and 40GB, nor any capped MVNO plans over 100GB (or endless).

251 At the date of data collection, there were no MVNO prepaid plans with a data cap between 41 and 100GB.

These differences reinforce the role of MVNOs as price leaders, particularly in segments where consumers with lower speed expectations or more modest connectivity needs are active. Yet despite this pricing pressure, MNOs retain a substantial share of consumers, indicating that perceptions of performance, network reliability and bundled features may also influence consumer choices, not just price.

Overall, this was a positive step towards a more competitive mobile marketplace in New Zealand and beneficial for consumers. For example, Figure 5.22 shows that prepaid consumers moving to an MVNO could save between $5 (<5GB plans) and $32 (unlimited data plans) per month on average.

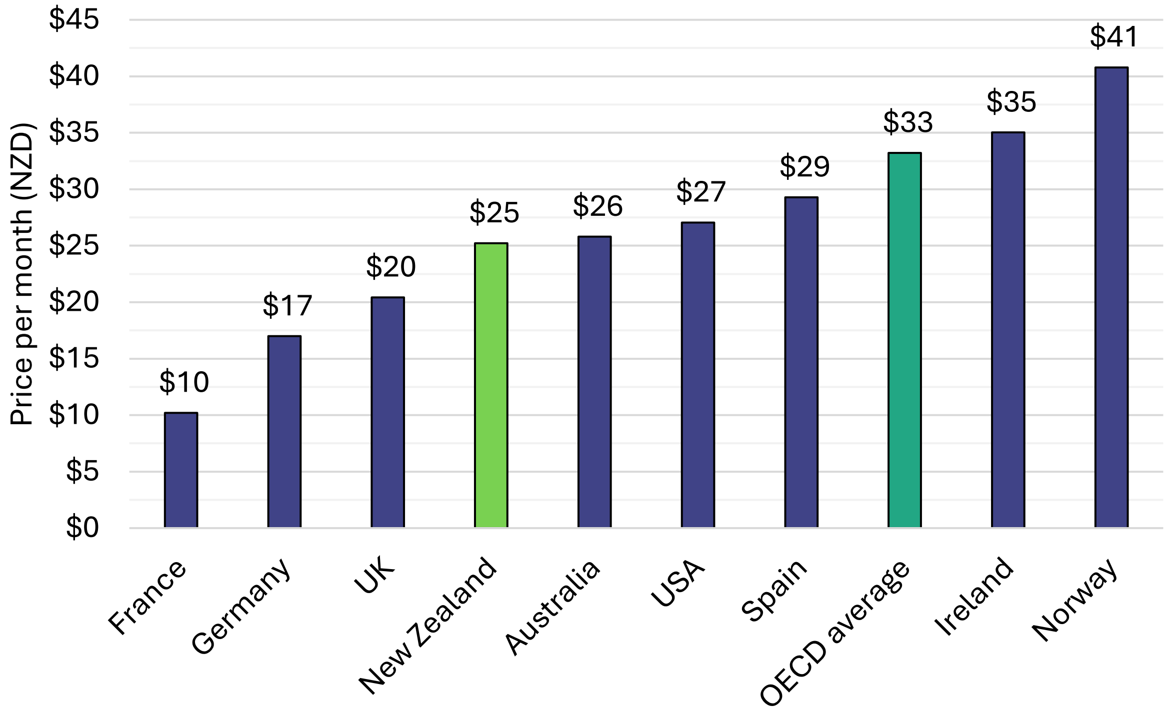
International price comparison

To get an indication of how New Zealand mobile prices compare to those overseas, we compared the price of the cheapest benchmark plan on offer in New Zealand against the cheapest benchmark plan available in OECD countries for two custom baskets. The baskets were based on average usage for prepaid and postpaid consumers in New Zealand.

In 2025, the average usage for a prepaid consumer was 58 minutes of calling, 2.8GB of data and 35 texts. The average usage for a postpaid consumer was 213 minutes of calling, 13.9GB of data and 82 texts. These results should be interpreted with some care. Because the OECD benchmark is driven by the single lowest-priced plan that meets average usage, outlier plans could have a disproportionate effect on the results and create year-on-year volatility that may not reflect broader pricing trends.

The prepaid comparison in Figure 5.23 shows New Zealand sitting toward the lower end of the international range, indicating that average prepaid plans were 32% lower than the OECD average.

Figure 5.23 Price to meet average prepaid usage

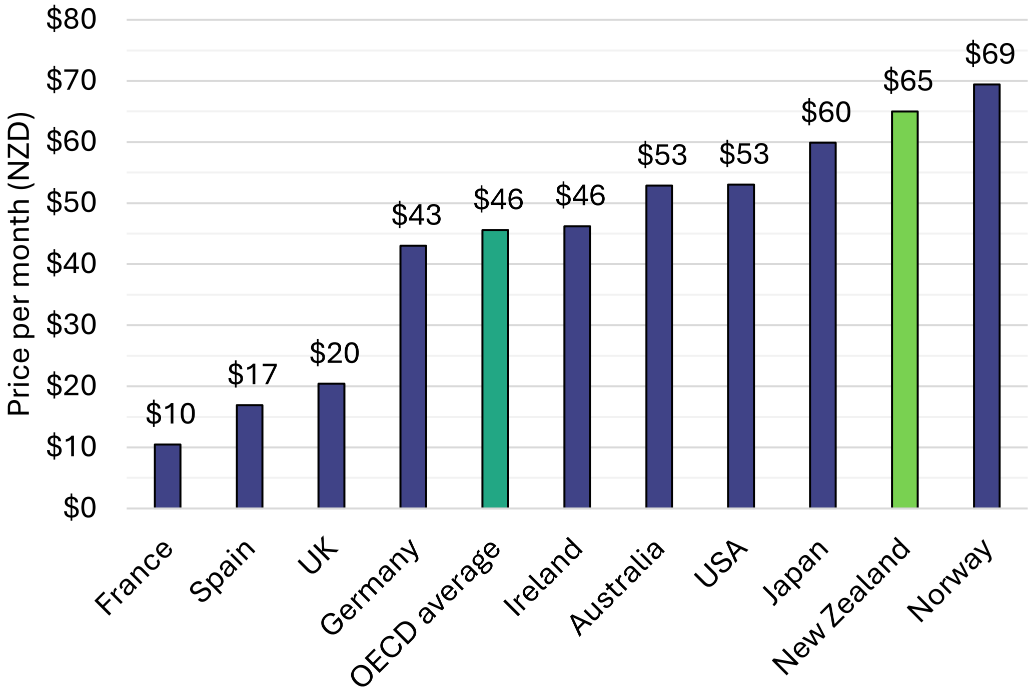


Source: OECD Price Performance Benchmarking—Japan is not included as there were no prepaid plans included in the benchmark

Some larger countries still achieve slightly cheaper prepaid prices due to scale advantages, denser populations and more extensive MVNO sectors. New Zealand performs well despite its smaller scale and more challenging geography. Strong value-focused MVNOs help keep prepaid prices competitive and prevent New Zealand from drifting into the higher priced group internationally.

New Zealand sits higher in the postpaid market relative to most international peers (Figure 5.24), well above the OECD average.

Figure 5.24 Price to meet average postpaid usage



Source: OECD Price Performance Benchmarking

While factors such as network density and deployment costs affect both prepaid and postpaid services, New Zealand providers tend to position high-allowance and full-speed unlimited data plans at a premium. These plans are often available as postpaid services. As a result, New Zealand often appears higher in postpaid comparisons than larger countries where these plans are priced more aggressively.

Mobile retail summary

New Zealand's retail mobile market remained dominated by three main players, but competition increased in recent years. Market concentration eased slightly, driven mainly by the growth of MVNOs offering more varied and innovative retail options. For consumers, competition is increasingly centred on data, with unlimited and endless data plans becoming more common. New plan types, such as speed tiered offerings, are also emerging, giving consumers greater choice and flexibility for their mobile services.

These changes were reflected in pricing outcomes. Retail mobile pricing remained broadly stable, while consumers were receiving significantly larger data allowances. The modest increase in the price to meet average postpaid usage reflects a shift toward higher allowance and unlimited data plans rather than higher prices per unit. In contrast, the cost to meet average prepaid usage fell, driven by strong MVNO price competition.

Consumer | Kaiwhakapeto

Consumers of telecommunications are presented with a wide range of retail offers that are products of the underlying market structure—the network infrastructure, its capabilities, ownership and regulatory settings. Whether consumers understand and act on these offers is a product of the information available to them, including through provider websites, product offers, marketing, and their innate preferences and behaviours.

This section examines urban consumers' experience with their mobile services. After looking at relative affordability, we analyse consumer satisfaction, including a deep dive into mobile services. We then compare satisfaction levels between different technologies and different size providers before highlighting key switching behaviour and what that may mean for the future.

Market transparency

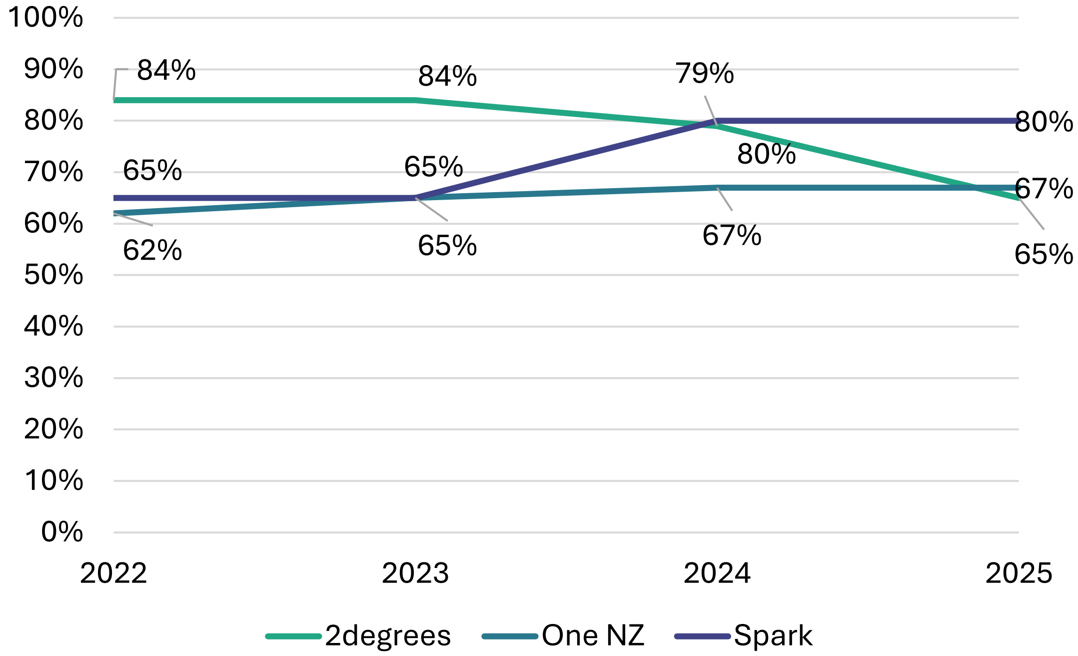
Over recent years, the Commission has undertaken sustained work to address transparency and inertia issues in the residential mobile market. We recognise that many consumers face difficulties understanding their usage, spend and whether they are on the most suitable plan. This work has included detailed reviews of consumer mobile bills and open letters setting out expectations for MNOs to provide clearer usage information, annual summaries and more effective prompts to support informed choice and switching. These initiatives aim to reduce overspending, lower barriers to engagement and strengthen competitive pressure in the mobile market.

Transparency of mobile plans continued to influence consumer experience. As of October 2025, independent testing of plan clarity shows a widening divergence between providers (Figure 5.25):

- Spark maintained a high transparency score of 80%,
- One NZ remained stable at 67%, and
- 2degrees' transparency score declined to 65% after three years of relative stability.[252]

[252] Consumer NZ "It's getting harder to tell which mobile plan you should be on" (1 October 2025), see www.consumer.org.nz/tech/phones-and-watches/mobile-phones/it-s-getting-harder-to-tell-which-mobile-plan-you-should-be-on.

Figure 5.25 MNO mobile plan transparency scores



Source: Consumer NZ[253]

Overall, these results suggest the market has yet to reach a consistent level of transparency that would enable consumers to easily assess and choose the most suitable plan.

2degrees' score decline was largely due to the migration to a new consumer app that reduced the availability and usefulness of usage and spend information, making it harder for consumers to assess whether they were on the right plan.

While Spark made progress in 2024 with its 'Made for You Review' (a personalised right plan recommendation), that progress appears to have stalled, with Spark moving away from right plan recommendations in newer summaries.

[253] Consumer NZ "It's getting harder to tell which mobile plan you should be on" (1 October 2025), see https://www.consumer.org.nz/tech/phones-and-watches/mobile-phones/it-s-getting-harder-to-tell-which-mobile-plan-you-should-be-on.

The persistence of complexity in mobile offers suggests that the improvements envisaged when the Commission began its RSQ transparency work programme are yet to be fully realised. In response to stalled transparency outcomes, the Commission issued Mobile Transparency Guidelines in November 2025, with the expectation that clearer, more standardised usage information and offer summaries will improve consumers' ability to compare plans, identify better options and engage more actively with competition over time.[254]

Switching providers and changing plans

The level of switching observed in a market may be indicative of the ability of consumers to act and take advantage of competing offers. It may also indicate the presence of behavioural preferences towards the existing and familiar.

There is no fixed proportion of the market that should be expected to switch. Consumers not switching provider is not necessarily a concern if those consumers are satisfied with their provider (for example, where their existing provider competes harder to retain them or is providing services that meet their needs) and/or do not face significant barriers to switching.

Despite ongoing shifts in network technology and increased promotional activity, switching behaviour remained limited. Only 7% of mobile users switched provider in the last 12 months, mirroring the low rate observed in prior years. Among those who did switch, satisfaction with the process was mixed: overall satisfaction reached 72%, which remained below the Commission's 80% benchmark for a favourable outcome.[255]

Consumers most frequently pointed to difficulties understanding new plan information, lack of clear updates during the transfer process and occasional double billing as sources of frustration. These themes closely track those identified in the 2024 report, suggesting that switching frictions persist even as digital tools such as eSIM activation become more widespread.

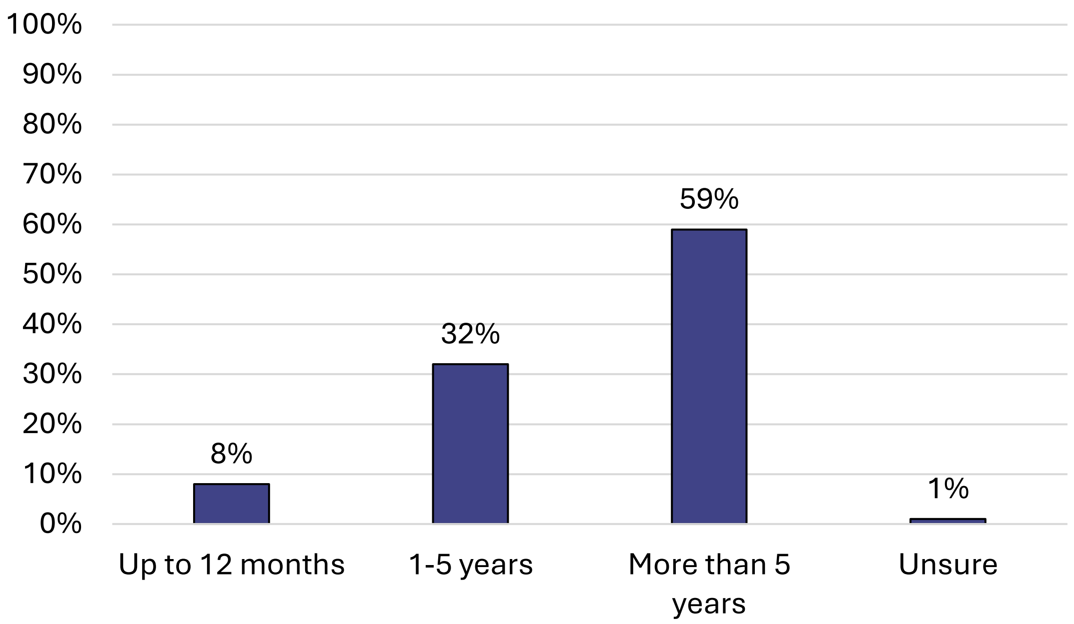
254 Commission "Mobile Transparency Guidelines", see https://www.comcom.govt.nz/regulated-industries/telecommunications/projects/review-of-consumer-mobile-bills/.

255 Commission "NZ Telecommunications Consumer Satisfaction Tracking: 6 month report – January to June 2025" page 30, see https://www.comcom.govt.nz/about-us/research/telecommunications-research/telecommunications-consumer-satisfaction-monitoring-report-january-june-2025/.

Time spent with current provider

Our monthly consumer satisfaction survey from January to June 2025 highlights that 59% of mobile consumers had been with their current provider for more than five years (Figure 5.26). This was down from 63% last year. This was also higher than the broadband market where our recent survey showed that only 38% of consumers had been with their broadband provider for more than five years.[256]

Figure 5.26 Time spent with current mobile provider



Source: Telecommunications Consumer Satisfaction Monitoring Report—January–June 2025[257]

This picture was reinforced by provider-level tenure data as illustrated in Table 5.9, which shows that long-term consumer relationships remained a prominent feature of the mobile market.

Table 5.9 Percentage of consumers with provider for 5 years or more

Provider	2024	2025	Change 2024 to 2025
Spark	71%	70%	-1%
One NZ	76%	68%	-11%
2degrees	61%	55%	-10%

Source: Commission Telecommunications Consumer Satisfaction Monitoring Reports[258]

256 Ibid, page 24.
257 Ibid, page 24.
258 See https://www.comcom.govt.nz/about-us/research/telecommunications-research/.

However, over the past year, tenure declined across all three MNOs, with the most pronounced reductions occurring at One NZ and 2degrees. This could reflect higher price sensitivity and stronger competitive offers.

Switching provider

Our consumer satisfaction survey asks consumers if they switched provider in the last 12 months. This includes where consumers ported their number to a new provider. It also captures where consumers cancelled their service and then took up a new service with another provider without porting their number.

Table 5.10 shows that switching rates remain relatively low.

Table 5.10 Mobile provider switching and consumer satisfaction

	2023	2024	2025
Switched mobile provider in the last 12 months	6%	5%	7%
Satisfaction with process of switching mobile provider	79%	84%	72%
Satisfaction with information provided when deciding to switch provider	80%	67%	69%

Source: Commission data

7% of consumers switched their mobile provider in the 12 months to June 2025, up from 5% in 2024.[259] However, mobile consumers show longer provider tenure than broadband consumers, with 59% staying more than five years (compared with 38% for broadband), and longer tenure increasing with age.

Low switching rates may reflect uncertainty about better deals or how to assess them, reluctance to switch due to perceived hassle, or satisfaction with current service. We also see tactics in the market that make customers more 'sticky' to their provider—such as where credit in a virtual wallet can only be used towards a new phone with the same provider and where bundling services means consumers were less likely to leave.

For those that did switch mobile providers, the key reasons for switching were to get a lower price (47%) or to get more data (30%).

259 Commission "NZ Telecommunications Consumer Satisfaction Tracking Monitoring Report – January to June 2025" page 9, see https://www.comcom.govt.nz/about-us/research/telecommunications-research/telecommunications-consumer-satisfaction-monitoring-report-january-june-2025/.

Issues with switching providers

In the year to June 2025, 72% of those that switched mobile provider were satisfied with the overall switching experience, down from 84% the previous year. This decline was driven largely by a significant drop in satisfaction with how well consumers felt informed during the switching process.

The key factors disincentivising switching remained largely unchanged:

- satisfaction with existing service;
- uncertainty about whether a better deal is available; and
- the perceived effort involved in switching.

These drivers also align with broader behavioural factors highlighted in prior years, including consumer inertia and the impact of bundled services in discouraging movement. Evidence from the 2025 survey again shows that many consumers do not feel confident comparing offers, reinforcing the Commission’s earlier findings that comparison complexity contributes materially to market stickiness.

Complaints to the Commission and to the TDR about switching highlight issues such as double billing, unauthorised switching and difficulty retrieving credits on prepaid accounts.

The Commission is working with the industry to improve the processes and outcomes for consumers.[260]

Number porting

In telecommunications, porting is the process of transferring a phone number from one network to another. The ability for consumers to port their numbers—particularly mobile numbers—is a critical market feature that supports switching, which in turn promotes competition and positive consumer outcomes. For this reason, provision of the porting service is mandated by law and the associated process is regulated.

The TCF manages the operational aspects of porting in New Zealand across more than 30 fixed and mobile RSPs. The TCF tracks the porting of numbers month to month and publishes activity on a quarterly basis. We use porting data as a proxy metric for consumers switching between different providers.

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260 Commission “Improving Retail Service Quality: Switching” (20 March 2025), see https://www.comcom.govt.nz/regulated-industries/telecommunications/projects/retail-service-quality/.

For the year to June 2025, the number of mobile ports per month averaged 24,400, broadly consistent with the prior year.[261]

Changing plans

Although most consumers remained with their current provider, there was an increase in the number of consumers who changed retail plans with the same provider in 2025. Table 5.11 shows mobile plan changing activity alongside consumer satisfaction with the switching experience.

Table 5.11 Mobile plan changing (with the same provider) and consumer satisfaction

	2023	2024	2025
Changed mobile plans in the last 12 months	17%	10%	16%
Satisfaction with process of changing mobile plan	81%	71%	65%
Satisfaction with information provided when deciding to change plan	79%	68%	61%

Source: Commission data

While changing rates between plans increased since last year, the consumer experience when doing so worsened. Satisfaction with both the process of changing a mobile plan and the information provided declined, suggesting that although plan changing was becoming more common, providers were delivering a less positive experience.

The primary reasons for changing plans remained consistent; desire for more data, better pricing or a plan that better fits usage patterns.

261 Large rises in ports per month can occur when large businesses switch all of their mobile connections to a new provider.

eSIMs

> An embedded SIM (eSIM) is a digital version of the traditional SIM card. Unlike physical SIM cards, eSIMs are built directly into a device's motherboard and cannot be removed. They perform the same functions as physical SIM cards such as storing data and connecting to the MNO's network, but they offer greater flexibility and convenience.
>
> A wide range of devices such as smartphones, tablets, smartwatches and laptops can use eSIMs. eSIMs offer several advantages for consumers such as ease of switching carriers, the ability to store multiple profiles, space-saving designs and convenience for travellers.

eSIM use increased but from a very low base, relative to the overall mobile market. It is not yet at a scale that would materially change switching behaviour. Awareness among consumers remained uneven, and many report that provider-specific steps, particularly identity verification and plan migration requirements, still create barriers. As the market continues to evolve, and as D2C satellite offerings and 3G shutdown timelines reshape the mobile experience, simplifying switching and improving clarity of information will remain essential to strengthening competitive pressure in the sector.

International eSIM apps aimed at travellers were also becoming more common and can reduce the need for visitors to purchase a local prepaid SIM for short stays. These services are likely to be influencing the tourism SIM segment, even if their impact on the wider domestic market remains limited.

Satisfaction

The consumer experience results for 2025 show a mobile and broadband sector facing persistent sentiment challenges. New Zealand consumer sentiment and NPS softened in some industries across 2024–25, suggesting there might be some economy-wide effect (eg, cost-of-living pressures), not just telecommunications issues.[262] However, telecommunications NPS appears to be underperforming some peer sectors, indicating the decline was likely a mix of broader sentiment challenges and category-specific drivers rather than macro factors alone.

Figure 5.27 shows that residential NPS was -5, meaning that detractors continued to outweigh promoters by a significant margin.

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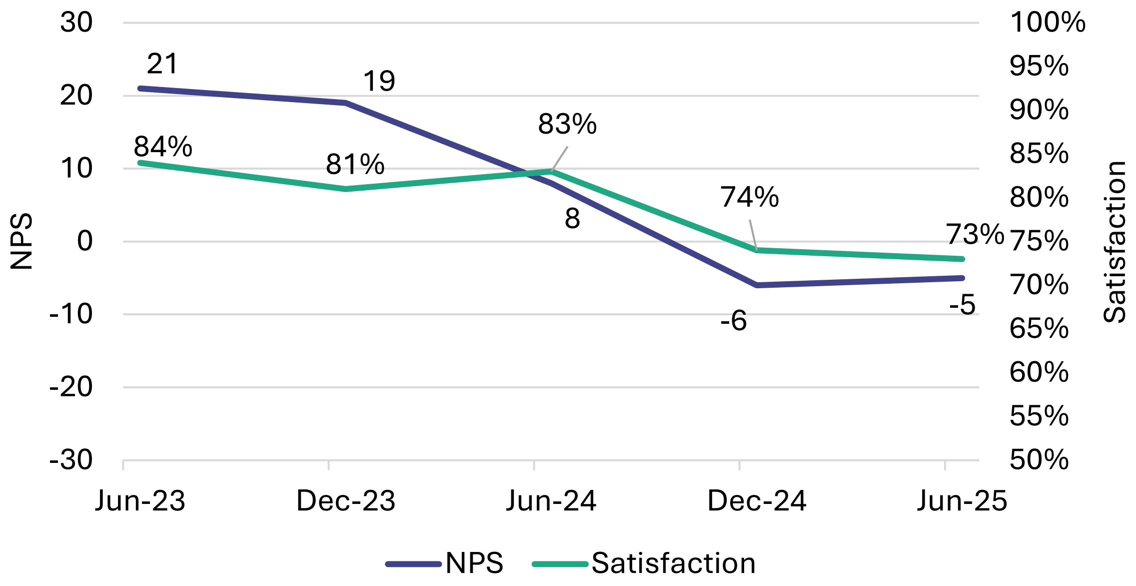
262 Perceptive "2025 NPS Industry Benchmarks" (2025), see https://382908.fs1.hubspotusercontent-na1.net/hubfs/382908/Resources_and_Articles/Inbound_Resources/nps-benchmarks/pdfs/NZ_NPS_Industry_Benchmarks.pdf.

Figure 5.27 Mobile NPS and satisfaction over time



Source: Telecommunications Consumer Satisfaction Monitoring Reports[263]

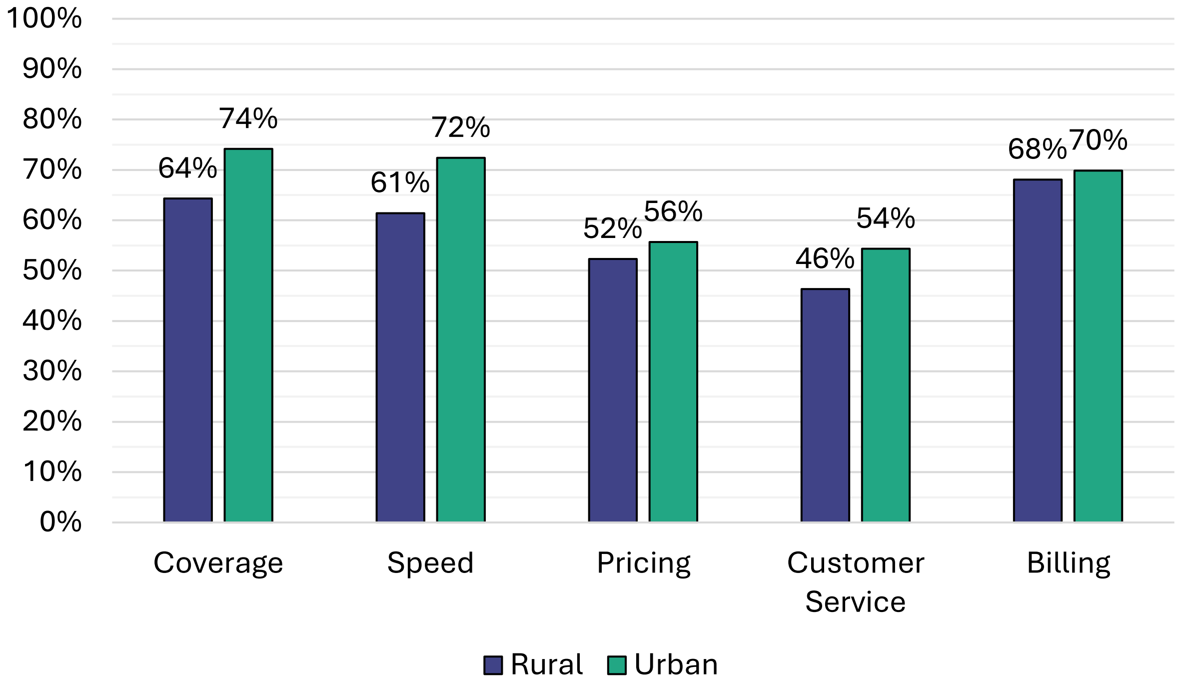
Satisfaction levels stabilised after earlier declines but remained below the favourable 80% at 73%. These results signal that many consumers did not feel they were receiving consistently strong value or service quality from their providers.

One possible reason for this is that while prices, speeds and coverage improved over time, mobile use is increasingly commoditised and expectations have risen. Day-to-day friction with issues such as reliability or customer service may weigh more on satisfaction than incremental gains in data or speed, especially with cost-of-living pressures.

Data from our monthly consumer survey shows consistently higher levels of satisfaction in urban areas across five key service dimensions (Figure 5.28).

263 Commission 'Telecommunications Consumer Satisfaction Monitoring reports, see https://www.comcom.govt.nz/about-us/research/telecommunications-research/.

Figure 5.28 Satisfaction levels of mobile consumers in urban and rural areas



Source: Commission data

These satisfaction levels all increased slightly since 2024.

Urban respondents rate coverage and speed around ten percentage points higher than rural users, suggesting stronger network performance in cities. The biggest disparity appears in customer service, where rural satisfaction lags notably behind urban ratings. Overall, the results indicate a persistent rural–urban gap across most service dimensions, with rural users reporting lower satisfaction in every category.

The survey makes clear that price is not the only determinant of consumer sentiment. Across both mobile and broadband, issues relating to customer service and technical performance remained highly influential. 36% of mobile consumers reported experiencing an issue in the previous six months, up from 26% in 2024. Consumers who experience issues exhibit significantly lower NPS scores than those who do not, demonstrating the direct connection between service quality and perceived value. For many consumers, a plan's nominal price may be overshadowed by service disruptions or poor support experiences, particularly if these occur repeatedly.

As 3G networks are shut down and standalone 5G evolves, there could be some short-term impacts on satisfaction with performance metrics, reflecting the transition in network technologies.

Low satisfaction but low switching

One of the more striking patterns emerging from the satisfaction data was the low level of provider switching. Even though satisfaction was below favourable levels, only 7% of residential consumers changed their mobile provider in the past 12 months. This gap between dissatisfaction and switching indicates that behavioural and structural frictions continued to dampen competitive dynamics.

Many consumers report that switching feels like too much effort, that the differences between providers appear small, or that they cannot be confident they would receive a materially better offer elsewhere. These perceptions mirror the findings from previous years and suggest that information asymmetries, fear of service disruption, and limited visibility over actual performance may all inhibit switching.

Mobile coverage transparency and consumer choice

In January 2025, we expanded our RSQ work on mobile coverage transparency, recognising that coverage remained one of the most important factors shaping consumer experience and safety. The Mobile Coverage Maps Guidelines require all MNOs to provide clear, comparable and accessible coverage maps, using standardised descriptors, such as *excellent*, *good*, *fair* and *no coverage*, tied to common signal-strength thresholds.[264] The intent was to remove long-standing inconsistencies between providers' maps and make it easier for consumers to understand what real-world coverage they can expect in the places they live, work and travel.

Another key consumer safeguard introduced in 2025 was the expectation that mobile providers must be accountable for their coverage claims. We have signalled that all operators should offer penalty-free contract exits where a consumer's actual coverage is materially worse than what was represented on a provider's map. Some operators, including One NZ and 2degrees, already offer "network guarantees", and the Commission expects such protections to become universal during the 2025–2026 implementation period. This aligns with the broader RSQ objective of ensuring that providers are accountable for service quality and that consumers are not locked into services that do not meet their needs.

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264 Commission "Product Disclosure – Mobile Coverage Maps Guidelines" (30 January 2025), see https://www.comcom.govt.nz/__data/assets/pdf_file/0023/364154/Product-Disclosure-Mobile-Coverage-Maps-guidelines-30-January-2025.pdf.

These developments mark a significant strengthening of mobile market transparency. As New Zealand continues to expand 5G coverage and as competition intensifies, we aim to ensure that consumers can rely on coverage information when choosing a provider and can switch without penalty if their real-world experience does not match what they were sold.

Over time, we would expect this combination of clearer information, more consistent presentation, and stronger consumer rights to reduce coverage-related complaints and increase overall satisfaction with telecommunications services. In short, these changes are designed to build a market where consumers feel more confident, informed and supported.

Mobile consumer summary

The mobile market remained structurally stable, with Spark, One NZ and 2degrees continuing to dominate retail connections. Consumer behaviour changed little since 2024, with strong attachment to incumbent providers persisting. Long provider tenure and limited willingness to switch remained defining features of the market, reinforcing the broader pattern of low churn despite consumer concerns regarding value and service quality.

Overall, the 2025 pricing and satisfaction evidence suggests a market where lower prices do not always deliver better consumer outcomes. While increasing competition, especially from MVNOs, has expanded the availability of lower-cost offers, these sometimes contain performance or service trade-offs such as speed-differentiated unlimited data plans, or more complex plan structures.

These constraints can make it harder for consumers to assess actual value, and may help explain why improved affordability did not translate into higher satisfaction or greater switching activity. However, the wider range of options could benefit consumers, particularly those prioritising affordability and who are open to switching.

Chapter 6

Special Topics | Ngā Kaupapa motuhake

Chapter 6 Special Topics | Ngā Kaupapa motuhake

Complaints about telecommunication services

Telecommunications Dispute Resolution (**TDR**) is an independent and free dispute resolution service for consumers who have disputes with their telecommunications provider about mobile, internet and landline services. The TDR covers about 95% of the market as membership for smaller providers is voluntary. It is also the dispute resolution service for disputes relating to the 111 Contact Code and CWC, of which consumers' providers do not have to be a member for their complaint to be accepted.

The TDR is committed to reducing language and accessibility barriers so that any consumer can easily access its service. Guides are supplied in numerous languages, and the team can arrange interpreters if needed. It also accommodates specific cultural needs, offering a tikanga based approach to mediation upon request. The TDR also supports individuals with visual, hearing, or cognitive impairments with information available in alternative formats, and uses the New Zealand Relay Service for those who require it.

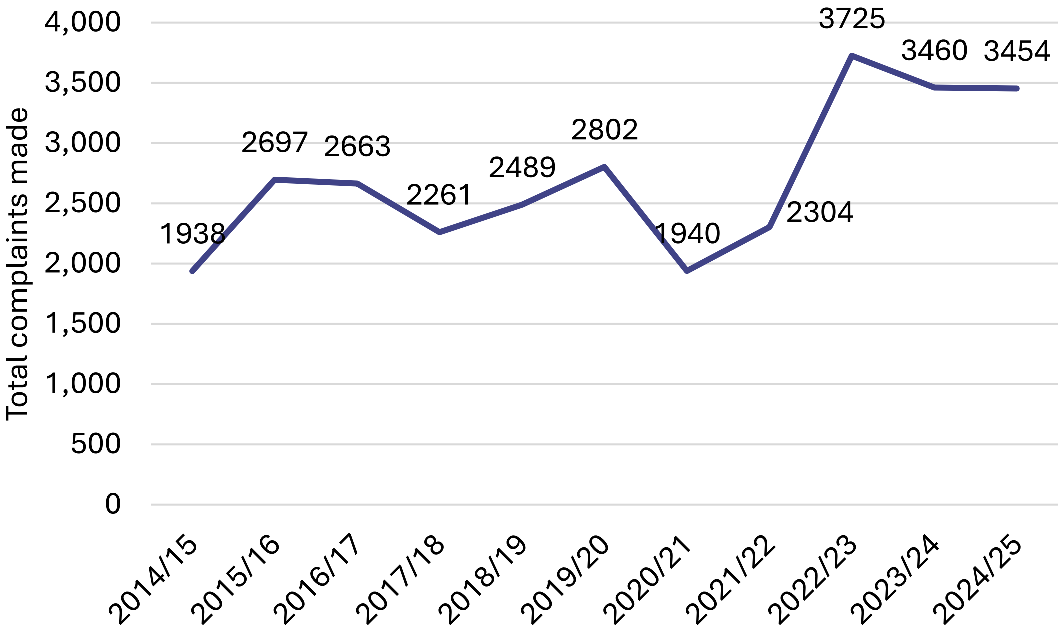
Telecommunications Dispute Resolution

TDR complaint numbers

Historically, TDR managed a relatively stable baseline of around 2,000 annual complaints. However, Figure 6.1 illustrates, that particularly over the last five years, there has been a distinct shift in consumer engagement with TDR, driven by heightened awareness campaigns and economic pressures. Complaint numbers now seem to have stabilised into a new baseline of elevated complaint volumes following a historic surge in the 2022/2023 period (influenced by extreme weather events and awareness campaigns).

Despite being the most complained about industry for a number of years, it is possible that some complaints may not have been formally raised, potentially reflecting limited consumer awareness of the TDR. From July 2024 to June 2025, our consumer surveys indicated that residential consumer awareness of the TDR increased from 16% to 19%. Business consumer awareness increased over the same period from 17.5% to 18.5%. While modest, these increases indicated a positive trend among both demographics.

Figure 6.1 Total annual complaints made to TDR



Source: TDR[265]

The scheme continues to show high levels of user satisfaction among those who engage with it, with TDR's NPS increasing from +71 in 2024 to +79 in 2025, approaching its previous high of +81 in 2018–2019. Consumer awareness of the scheme also experienced a marginal increase to 19%.

While total complaint numbers held steady in 2024/2025 at 3,454, the complexity of cases escalated significantly, evidenced by 74% of complaints accepted as within TDR's jurisdiction (compared to 65% in 2023–2024).[266]

TDR complaint topics

Over the last few years TDR has seen a clear shift from infrastructure-driven frustrations, such as those associated with the national fibre rollout, to more complex economic and customer service issues. A close comparison of the 2024 and 2025 data (Figure 6.2) reveals several emerging trends linked to economic conditions and changes in provider behaviour:

- Billing and credit management continued to be the most frequently complained about topic, accounting for 49% of total complaints in 2025;

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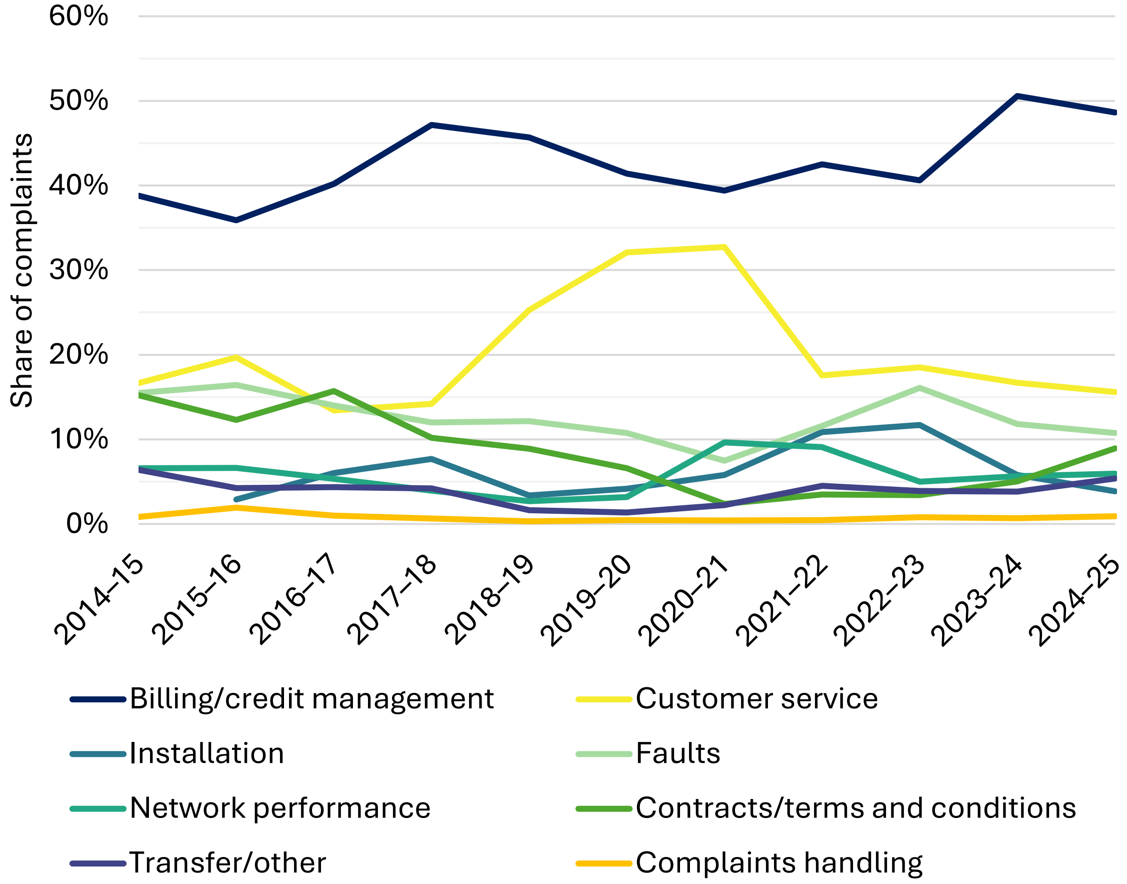
265 TDR "Annual Report 2025" page 19, see https://www.tdr.org.nz/sites/default/files/2025-10/TDR%202025%20Annual%20Report.pdf.

266 Ibid, page 18.

- Within the billing and credit management category, disputed charges remain the most common issue, appearing in 40% of all cases;
- Complaints about switching raised issues such as double billing, unauthorised switching, difficulty retrieving credits on prepaid accounts, and refund requests from overcharging;
- Disputes related to new bills during plan transitions increased by 49%; and
- Disputes concerning variations to terms and conditions doubled over the past year.

Figure 6.2 TDR complaints and enquiries



Source: TDR[267]

The data also shows heightened consumer frustration with switching and cancellation processes, including increases in transfer delays, failures to complete disconnection requests, and a 300 percent rise in unauthorised transfers.

267 Based on historical TDR annual reports, see https://www.tdr.org.nz/resources/publications.

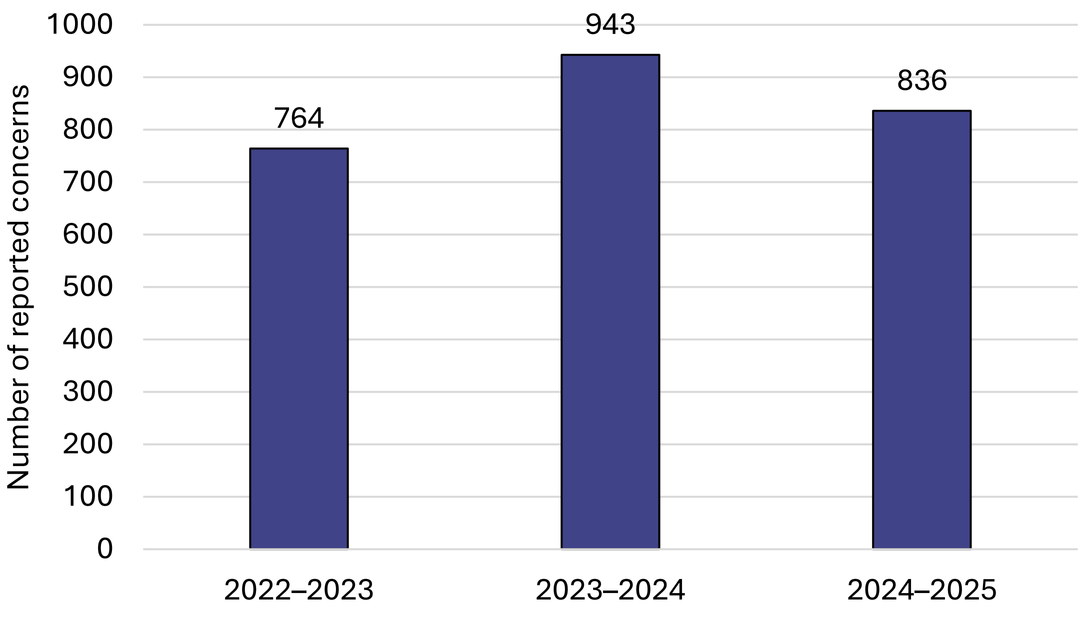
These findings are consistent with the switching trends discussed in previous chapters, where satisfaction with the switching process declined and consumers reported ongoing friction in areas such as billing, information clarity, and service transfers.

Concerns reported to the Commission

Consumers may also report a concern to the Commission. The Commission does not intervene in individual consumer problems. Instead, the complaints we receive function as market intelligence helping the Commission identify systemic issues, monitor industry behaviour, and determine where regulatory action may be needed. The Commission accepts reported concerns from anyone about any provider, unlike the TDR which is specific to the consumers of its voluntary members. As a result, some complaints may appear in both systems.

In the year to June 2025, the Commission received a total of 836 telecommunications-related concerns, down 11% from the year prior (Figure 6.3).

Figure 6.3 Commission reported telecommunications concerns



Source: Commission data

Reported concerns received in 2025 have been categorised as the following in Table 6.1.

Table 6.1 Concern categories

RSQ category	Percentage of reported concerns for 2025
Billing	36.5%
Product disclosure	20%
Contract issues	16.2%
Customer service	11.6%
Switching	4.3%
Copper withdrawal	3.3%
Debt and affordability	2.2%
No RSQ/Non-telco services	5.9%

Source: Commission data

Billing was the most frequent area of concern reported by consumers, highlighting a focus from users on the cost of services and ensuring they are paying what they agreed to. Consumers generally have a clearer understanding of billing compared to switching or copper withdrawal, as billing is a regular, cross-sector experience.

While this is a useful indicator of the issues most commonly raised, concern data reflects the matters brought to us and should not be interpreted as a direct measure of how prevalent these issues are across the wider market.

While both the Commission and TDR both receive telecommunications-related complaints, the data is used in different ways and captures different patterns of issues. Consumers may raise the same concerns with both us and the TDR, and we also refer some complainants directly to the TDR for individual dispute resolution.

TDR complaints tend to focus on individual service problems, such as billing errors, network faults and plan disputes, reflecting its role in resolving personal grievances and restoring consumers to a fair position. In contrast, complaints reported to the Commission more often point to broader, market-level issues, including price increases on fixed-term contracts, barriers to switching providers, and alleged anti-competitive behaviour. These reports help the Commission identify emerging systemic trends rather than resolve individual consumer disputes.

The two systems provide complementary perspectives: TDR data tends to reflect day-to-day consumer service failures, while Commission concerns tend to offer insight into structural or behavioural issues that may warrant regulatory action.

International comparisons

Across international jurisdictions, complaint patterns highlight both consumer expectations and the maturity of available dispute-resolution mechanisms. In Australia, consumers with telecommunications concerns can escalate their issues to the Telecommunications Industry Ombudsman, while Canadian consumers bring their complaints to the Commission for Complaints for Telecom-television Services. Complaint volumes differ significantly across these markets, reflecting variations in scheme visibility, regulatory settings and underlying market dynamics.

On a per capita basis, Australians and Canadians both made more complaints compared to New Zealanders as seen in Table 6.2. Higher complaint volumes do not necessarily reflect poorer sector performance. Instead, they can indicate higher consumer awareness, easier access to dispute-resolution services, or more mature mechanisms for escalating issues.[268]

Table 6.2 Complaints per 10,000 people

Country	Total complaints made in 2025	Complaints per 10,000 people
Australia[269]	57,592	20.9
Canada[270]	29,731	7.1
New Zealand[271]	4,290	8.1

Source: Commission analysis

Complaint volumes differed markedly across the three countries. Australia recorded the highest number of complaints both in total (57,592) and on a per-capita basis (20.9 per 10,000 people), followed by Canada with 29,731 complaints (17.1 per 10,000). New Zealand reported substantially lower volumes, with 4,290 complaints and a per-capita rate of 8.1.

268 New Zealand complaint totals were calculated by adding TDR complaint numbers with ComCom reported concern numbers.

269 Telecommunications Industry Ombudsman "Annual Report 2024–25" (15 October 2025), see https://www.tio.com.au/reports/annual-report-2024-25; and Australian Bureau of Statistics "National, state and territory population, September 2025", see https://population.gov.au/sites/population.gov.au/files/2026-03/nst-population-sep-2025.pdf.

270 Commission for Complaints for Telecom-television Services "Annual Report 2024–25" (14 January 2026), see https://pub.ccts-cprst.ca/2024-2025-annual-report/2024-25-complaints/; Statistics Canada, "Canada's population estimates: Age and gender, July 1, 2025" (24 September 2025), see https://www150.statcan.gc.ca/n1/daily-quotidien/250924/dq250924a-eng.htm.

271 Stats NZ, "National population estimates: At 30 September 2025" (29 September 2025), see https://www.stats.govt.nz/information-releases/national-population-estimates-at-30-september-2025/.

These differences may in part reflect variation in dispute resolution scheme awareness and membership rather than population size alone. In Australia and Canada, the Telecommunications Industry Ombudsman and the Commission for Complaints for Telecom-television Services operate as mandatory schemes, which may increase consumer visibility, normalise the dispute resolution process, and contribute to higher and more consistent complaint volumes. By contrast, New Zealand's TDR scheme operates on a voluntary membership model, which could limit both consumer awareness and overall complaint numbers, and may help explain the lower volumes observed.

Broadcasting transmission services

In June 2024, we published a report on broadcasting transmission services in New Zealand undertaken on our behalf by Network Strategies.[272] We followed this up with a Broadcasting Transmission Monitoring Report in July 2025.[273]

This July 2025 report outlined that most aspects of the market for broadcasting transmission services were relatively stable with expected ongoing investment and rises in operating expenses. Changing consumer demand trends, primarily away from traditional television and radio broadcasting to various forms of digital media, continued to impact and influence market participants. Many suppliers continued to implement digital-first type strategies.

The market has remained stable in the period since our report was published. The shift in audience demand towards digital mediums continues to dominate company strategies. Those participants who historically provide analogue services are pivoting as traditional demand declines.

We will continue to monitor the market for broadcasting transmission services and will undertake more in-depth reviews as necessary.

Business consumers

The AMR primarily focuses on residential broadband and mobile consumers, reflecting both their large share of connections and the availability of consistent, comparable data on prices, quality and consumer outcomes. However, business customers are also an important part of New Zealand's telecommunications market.

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272 Network Strategies "Monitoring broadcasting transmission services" (29 May 2024), see https://www.comcom.govt.nz/regulated-industries/telecommunications/monitoring-the-telecommunications-market/topic-papers-other-reports-and-studies/broadcasting-transmission-services/.

273 Commission "Broadcasting Transmission Monitoring 2024" (1 July 2025), see https://www.comcom.govt.nz/regulated-industries/telecommunications/monitoring-the-telecommunications-market/topic-papers-other-reports-and-studies/broadcasting-transmission-services/.

In the year to June 2025, around 14% of fixed broadband lines were used by businesses. Mobile business connections made up just over a quarter of customers on monthly plans (27%), alongside residential postpaid users (41%) and prepaid customers (32%).

Businesses range from small firms purchasing standard business plans to large organisations requiring dedicated fibre, corporate mobile fleets, private networks and highly reliable services. Compared with residential customers, businesses typically purchase multiple connections and rely on them to support core operations, which can mean their needs and service characteristics differ significantly from those of residential customers.

Wholesale mobile and large enterprise activity

The role of businesses becomes even clearer when looking at network usage. Businesses accounted for close to 30% of mobile call minutes, around 27% of SMS traffic, and approximately 20% of total mobile data use. This reflects a range of use cases, including business phones, contact centres, system alerts, machine-to-machine connections and large-scale messaging.

Alongside this, many large organisations and service providers buy and sell mobile services directly, including interconnection, voice calling and messaging, sometimes using their own networks or platforms. This wholesale activity operates at a very different scale from residential services and forms an important part of the wider mobile ecosystem.

While this report highlights some key indicators, the diversity and complexity of business and enterprise telecommunications services mean they are not yet covered in the same depth as residential markets. We intend to expand our analysis of business, enterprise and wholesale telecommunications in future AMRs to provide a more comprehensive view of these segments.

Regional connectivity stories

The Commission's 2024 Telecommunications Monitoring Report found that around 170,000 households have no broadband connection. The regions of Gisborne, Taranaki and Tasman had the lowest rates of broadband connectedness (86%, 86% and 87% respectively as at June 2024) (Table 6.3). We also examined Northland's Far North district, where connectedness was low (Table 6.4).

Table 6.3 **Regions with low connectedness rates**

Region	Broadband connectedness	Average income (weighted)	Māori population share	Years at usual residence	Urban fibre %	Rural satellite %
National average	*92%*	*$42,823*	*15%*	*8.3 years*	*83%*	*26%*
Gisborne	86%	$36,802	45%	9.4 years	74%	11%
Taranaki	86%	$38,617	19%	9.1 years	78%	22%
Tasman	87%	$36,504	9%	9.1 years	82%	25%

Source: Commission analysis of Commission and Stats NZ data

Gisborne

Gisborne's economy relies heavily on forestry, horticulture and viticulture, supported by supply chains that navigate long, weather-exposed transport corridors. This challenging geography, compounded by recent adverse weather events, makes network resiliency and staying connected a focus for households, businesses, schools, marae and public services across the dispersed communities.

With broadband connectedness only at 86%, our data indicates that the Gisborne region had the lowest rate of connectedness in New Zealand.

Gisborne has the highest Māori population share, 45%, of all regions. Incomes are lower than the national average, and the average tenure at a dwelling is higher than the national average. These factors may be associated with lower rates of broadband plan switching or migration, as tighter household budgets can reduce willingness to change plans, and lower residential mobility may reduce prompts to reassess connectivity needs.

While 74% of households in urban Gisborne with a connection choose fibre, the percentage on fibre (as well as copper) in 2025 was lower than in 2024. The data suggests some households moved to 4G FWA or WISP connections. Affordability pressures may lead some connected households to migrate to lower-cost technology options.

In rural areas, WISPs accounted for a majority of connections (58%), indicating their significant role in providing connectivity. Satellite accounted for only 11% of connections, less than half the national average, with upfront equipment costs likely acting as a barrier for some households, although $0 CPE offers have occasionally been available.

Taranaki

The Taranaki region's economy is driven by agriculture, engineering, manufacturing and export supply chains operating through Port Taranaki. This industrial mix makes fast, reliable broadband critical for agricultural data transfer, factory operations and logistics across rural settlements.

While 86% of addresses across the Taranaki region were connected to broadband, we do see some variation, with connectedness as low as 81% in the South Taranaki and Stratford districts. We expect this is mostly an affordability issue due to relatively low average incomes.

Tasman

The Tasman district relies on horticulture, forestry, aquaculture and niche manufacturing for its export economy. Dependable connectivity is foundational for orchard data capture, packhouses, seafood operations and small scale manufacturing across rural settlements and households.

Eighty-seven percent of households had a broadband connection and average incomes sit below the national average. The region has a higher than average percentage of the population aged 65 years or older and average annual income similar to that in Gisborne.

Given the older demographic, some households may choose not to maintain a broadband connection for personal reasons, rather than due to affordability or access barriers.

Northland

Northland's overall broadband connection rate was relatively high at 92% but the Far North district lags at 89%, well behind Whangārei at 93% and Kaipara at 98% (Table 6.4).

Table 6.4 Northland's Far North demographics

Region	Broadband connectedness	Average income (weighted)	Māori population share	Years at usual residence	Urban fibre %	Rural satellite %
Northland	92%	$33,949	31%	8.7 years	77%	33%
Northland Far North district	89%	$30,727	40%	9.2 years	75%	33%

Source: Commission analysis of Commission and Stats NZ data

Socially, the Far North district has a high Māori population share (40%) and a low average annual income of $30,727. Despite this lower average income, 33% of rural households that do have a broadband connection are connected to a satellite connection, notably higher than the national average in rural areas of 26%.

This suggests that digital equity in the Far North is multifaceted and driven by more than just affordability, or it may suggest that satellite connectivity in that district is a more affordable option than alternative technologies (particularly given recent promotional offerings from major satellite providers eliminating upfront hardware costs in the area).

Affordability is the key barrier

Across these three regions, we see some similar themes around lower average incomes and longer tenure in the household. Our view generally is that affordability is the key barrier to broadband connectedness.

We recently commissioned research to understand more about households that are 'mobile only' and do not have a broadband connection and we are looking to understand more about this cohort over the coming year.

Attachment A List of defined terms | He rārangi kupu

Term	Definition
4G/5G FWA	Wireless cellular technology that can provide broadband services over the cellular mobile network
5G SA	5G standalone—both the radio access network and core network are 5G
5G NSA	5G non-standalone—uses 5G equipment on cell towers connected to an existing 4G core network
Act	Telecommunications Act 2001
Address	A physical premise where telecommunications services can be supplied, such as a dwelling, business site or other building. Addresses can be residential or commercial We use the term ‘household’ when our data or analysis only refers to residential addresses
ADSL	Asymmetric digital subscriber line—a copper-based technology that can provide basic fixed line broadband services
Availability (broadband services)	The extent to which a broadband service can be accessed and used by end users within a coverage area, including whether connections can be provisioned and whether the service performs to a reasonable standard. Availability may be limited despite coverage due to factors such as network congestion or a provider not offering service in that area
Bundled services	The combination of two or more services sold together as a single package (eg, mobile and broadband, or broadband and energy). The term “bundling” may also refer to the practice of combining these services into such packages
Business consumer	An end user that purchases telecommunications services mainly for commercial or operational purposes from a retail service provider
Capped plans	Broadband and mobile plans that include a fixed allowance of data, after which access to mobile data is restricted, stopped or requires the purchase of additional data
Commission	Commerce Commission
Commission data	This refers to the data we collect from telecommunications providers or consumers as part of research

Term	Definition
Connections	The spatial location of an active telecommunications service delivered to a consumer. This includes broadband, mobile and fixed line voice services. An address may have multiple connections in place
Consumer	An individual or organisation that uses telecommunications services for their own purposes, rather than supplying those services to others
Coverage (broadband services)	The presence of a telecommunications network in a geographic area, such that a connection could in principle be made
CPE	Customer premises equipment—the devices a telecommunications provider supplies to customers to access services, such as modems, routers and fibre or FWA equipment
CPI	Consumers price index
CR	Market concentration ratio—a measure of market concentration that looks at the market shares of the largest providers relative to the total market share
CWC	Copper Withdrawal Code
D2C	Direct-to-cell
D2D	Direct-to-device
Endless data plans	Broadband and mobile plans that include a fixed allowance of Max speed data, after which users can continue to access data on an unlimited basis at a reduced speed. Also called “Max speed” plans
eSIM	An embedded SIM (eSIM) is a digital version of the traditional SIM card. They are built directly into a device’s motherboard, cannot be removed and perform the same functions as physical SIM cards
Fibre area	Any geographic area where a regulated fibre provider’s (LFC) fibre network is present (the network footprint) and regulated fibre services are available to end users
FWA	Fixed wireless access—broadband technology providing connectivity to fixed locations over various types of cellular (4G / 5G) and non-cellular (NC) networks
GB	Gigabyte—1 gigabyte = 1024 megabytes
Gbps	Gigabits per Second—1 gigabit = 1,000 megabits

Term	Definition
GEO	Geostationary orbit—satellites positioned so that they remain in the same place above the Earth, found around 35,000km above the Earth's surface
HD	High definition—1080p
HFC	Hybrid fibre coaxial—broadband network in parts of Wellington, Kāpiti Coast and Christchurch that use fibre-optic and copper cabling
HHI	Herfindahl-Hirschman index—measure of market concentration
ID	Information disclosure—performance information we collect from the regulated fibre providers, Chorus, Enable, Northpower Fibre (Northpower) and Tuatahi First Fibre (Tuatahi)
IoT	Internet of things—devices are physical hardware, like sensors, actuators and smart appliances, that connect wirelessly to networks to collect, exchange, and act on data
ITU	International Telecommunication Union
Largest three	Spark, One NZ and 2degrees
Latency	The amount of time it takes for a data packet to go from one place to another, which is the delay an internet connection experiences—low latency is better than high latency
LEO	Low earth orbit satellites are deployed in constellations at lower levels (generally 500–1,500km above the Earth's surface) than GEO satellites—they do not appear to be stationary to user, but when a full constellation has been deployed, there will always be at least one satellite in view
LFC	Local fibre company—the four companies (Chorus, Enable, Northpower Fibre (Northpower) and Tuatahi First Fibre (Tuatahi)) that built, own and provide regulated wholesale access on fibre networks. Also known as "regulated fibre providers"
MB	Megabyte—a multiple of the unit byte for measuring the quantity of digital information
MBNZ	Measuring Broadband New Zealand—a programme run by the Commission to measure the broadband performance of New Zealand households
Mbps	Megabits per Second—used to measure data transfer speeds

Term	**Definition**
MBSF	Mobile Black Spot Fund—an initiative, delivered alongside the Rural Broadband Initiative, focusing on deployment of new cellular mobile infrastructure to extend coverage in underserved areas, with little or no service
MNO	Mobile network operator—an operator that owns and operates a cellular network, using licensed radio spectrum and network infrastructure (such as radio access networks and core networks) to provide mobile and 4G/5G FWA telecommunications services
MTAS	Mobile Termination Access Services
MVNO	Mobile virtual network operator—an operator that provides mobile telecommunications services but does not generally have its own licensed frequency allocation of radio spectrum or much of the infrastructure required to provide mobile telecommunications services, and therefore relies on buying services from an operator with a full mobile network—the amount of control it has over the services it offers will vary according to the nature of its agreement
NC FWA	Wireless broadband services generally supplied by WISPs that do not use a cellular network
Network operator	A company that owns and/or operates telecommunications infrastructure used to deliver connectivity services, and may supply access to that infrastructure on a wholesale or retail basis
NIFF	National Infrastructure Funding and Financing Limited—a Crown-owned company formerly known as Crown Infrastructure Partners Limited
NPS	Net promoter score—a measure of customer loyalty by likelihood of recommending a given business
OECD	Organisation for Economic Co-operation and Development
ONT	Optical network terminal—fibre box attached to the wall
Postpaid plans	Any telecommunications service plan that invoices for services used
PPP	Purchasing power parity—an exchange rate designed to equalise standard of living differences between countries and generally accepted as an appropriate conversion method for non-tradable goods and services

Term	Definition
Prepaid plans	Any telecommunication service plan that requires payment before service is provided
Provider	An entity that supplies telecommunications connectivity services to the market, either by operating network infrastructure, retailing services to end users, or both
PSTN	Public switched telephone network
RBI	Rural broadband initiative—a government programme to improve and enhance broadband coverage in rural areas
RCG	Rural Connectivity Group—joint venture between 2degrees, Spark and One NZ
RCU	Rural Capacity Upgrade—a government programme to upgrade rural broadband built as part of the RBI
Residential consumer	An end user who purchases telecommunications services mainly for personal or domestic purposes from a retail service provider
RSM	Radio Spectrum Management—a business unit of the Ministry for Business, Innovation and Employment that oversees the allocation and use of radio spectrum
RSP	Retail service provider—a provider that purchases or uses network access (whether its own or via wholesale inputs) to package and sell telecommunications services directly to end users. May also be referred to as "retailer"
RSQ	Retail service quality
Rural area	Anywhere that is not a fibre area—does not have a regulated fibre provider's (LFC) fibre network present. This will shrink over time as LFCs expand their fibre networks
SFA	Specified fibre area—a geographic area where specified fibre services are available to end users. The Commission is required to conduct an annual assessment of these areas as they are an essential prerequisite to enabling Chorus to withdraw supply of copper services to end users
Stats NZ	Statistics New Zealand
Switching	We use switching to refer to a consumer changing provider for their telecommunications service. This may also include changing the technology they receive that service over
TCF	New Zealand Telecommunications Forum

Term	Definition
TDR	Telecommunications Dispute Resolution
Telco	Telecommunications company
TowerCo	Tower company—builds and maintains structures that support mobile network antennas (eg, towers)
UBA	Unbundled Bitstream Access—a regulated copper-based bitstream service offered by Chorus
UCLF	Unbundled Copper Low-Frequency (UCLF)—a Chorus copper line that connects a phone user to the local exchange that can be accessed by retail telecommunications providers to provide a voice and broadband service
UFB	Ultra-Fast Broadband—the name given to the government's initiative to roll out a fibre-to-the-premises access network to give households and businesses access to very high-speed broadband. This programme (including a later stage, UFB2) was finished in 2022
UHD	Ultra-high definition
Unlimited data plans	Broadband and mobile plans that provide ongoing access to data at maximum speed without a fixed data cap, although fair use policies may apply
Urban area	Anywhere that is a fibre area—where a regulated fibre provider's (LFC) fibre network is present (the network footprint). This will grow over time as LFCs expand their fibre networks
VDSL	Very high-speed Digital Subscriber Line—a copper-based technology that provides a better broadband connection than ADSL
VoIP	Voice over internet protocol
WISP	Wireless internet service provider—Smaller providers that operate primarily in regional or rural areas, offering internet services to end users. These providers may independently operate their own infrastructure (eg, NC FWA networks or, more recently, fibre networks), or retail services delivered over networks operated by others (eg, regulated fibre or 4G/5G FWA wireless)
WISPA NZ	Wireless Internet Service Providers Association of New Zealand—an association of NZ WISPs

Attachment B Data sources | Puna raraunga

This report draws on data from a range of data sources.

The relevant sources for each figure and statistic are noted in the footnotes throughout the report. Unless otherwise noted, the figures and statistics are as of 30 June 2025 or for the 12 months to 30 June 2025.

Connection-level data

Since May 2023 we have been collecting more granular data than we previously had so that we could build a comprehensive nationwide connectivity picture. While our focus was on understanding more about rural connectivity, this data allows us to provide more detailed insights in both rural and urban areas.

This year, we have continued to collect connection-level data and have further refined our collection processes. With three years of connection-based data now collected, we can provide further analysis and insights into the market such as understanding trends over time.

Annual Industry Questionnaire

Each year, we send a questionnaire to the industry requesting information on a voluntary basis for the financial year ending in June. This year we again issued the Annual Industry Questionnaire alongside our connection-level information request. We thank all the respondents who submitted data as part of this information-gathering exercise.

Not all results from every question contained in the Annual Industry Questionnaire are presented in this report. Instead, aggregate results from our Annual Industry Questionnaire are published alongside this report on our website.[274] We published the data to 30 June 2025 in February this year.[275]

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274 Commission, see https://comcom.govt.nz/regulated-industries/telecommunications/monitoring-the-telecommunications-market/annual-telecommunications-market-monitoring-report.

275 This data was subsequently updated twice in early 2025 following minor errors identified by the Commission and providers.

Information Disclosure

The ID regime requires regulated wholesale fibre providers (Chorus, Enable, Northpower and Tuatahi) to disclose information on their websites and to the Commission. This information details the performance of these providers across a range of measures including obligations related to financial information, asset management and quality of service.[276] This data includes both residential and commercial connections.

We report on fibre connections, service reliability and customer satisfaction from ID for the first time in this report, in the Urban chapter. We also report on the profitability of the four providers.

Providers disclose their information at different times in the year.[277] For financial information, we are using ID data reported for each provider's disclosure year-end. For non-financial information, we are using ID data from January 2023 to December 2024 as these are the first full years with complete data for all providers after the regulatory regime started on 1 January 2022. Using full year data over a common period allows comparative analysis between providers.

You can see the most up-to-date disclosures, including part-year disclosures, in published datasets and Fibre Performance Visualisations on our website.[278] These resources will include data and analysis of fibre provider performance in areas not covered by this report.

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276 Current ID requirements for fibre are available on the Commission website: https://www.comcom.govt.nz/regulated-industries/fibre/information-disclosure-requirements-for-fibre/current-information-disclosure-requirements-for-fibre/.

277 Providers must publish their ID information five months after their disclosure year end date—Chorus 31 December, Enable 30 June, Northpower and Tuatahi 31 March.

278 Commission "Regulated fibre provider performance and data", see https://www.comcom.govt.nz/regulated-industries/fibre/regulated-fibre-provider-performance-and-data/.