

Sky and TalkTalk missing out on £36m mobile broadband bonanza

Submitted by: Formula

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Leading broadband providers Sky and TalkTalk are missing out on potential monthly revenue of up to £36 million* by not reacting early to the surge in demand for mobile broadband, according to the UK's leading broadband price comparison site Top 10 Broadband (<http://www.top10-broadband.co.uk/>).

Although the market for home broadband (<http://www.top10-broadband.co.uk/>) is still growing, the rate of growth is much faster for the lucrative mobile broadband market dominated by key players such as 3, Vodafone and T-Mobile. Over the last year, demand for mobile broadband has grown to such an extent that it went from accounting for 32 per cent of sales through Top 10 Broadband in October 2008 to more than 50 per cent in January 2009.

This was the first time in the website's history that monthly sales of mobile broadband outstripped those of home broadband deals since the site launched in January 2007. By way of comparison, during January 2008 mobile broadband accounted for just ten per cent of the site's sales.

The impact of failing to offer mobile broadband (http://www.top10-broadband.co.uk/types/mobile_broadband/) packages is further highlighted by data revealing that O2 and Virgin Media's share of the UK broadband market has grown substantially since they launched mobile broadband deals.

According to Jessica McArdle, marketing manager at Top 10 Broadband, the growth of the mobile broadband market, the huge revenues to be gained and the competitive advantage it offers, makes it inconceivable that Sky and TalkTalk are not considering releasing a major mobile broadband offering of their own this year.

"TalkTalk and Sky must be looking into ways of offering mobile broadband either as a standalone product or as part of a bundled deal – failing to do so would amount to commercial suicide"

* Broadband industry estimates suggest that there are approximately 200,000 new mobile broadband connections being taken every month in the UK. Top 10 Broadband calculates that the average contract comes at £15 a month on a 12 month connection, equating to an average charge of £180 per year per customer. This means that the monthly revenue available for UK ISPs stands at around £36 million.

Notes to Editors:

About Top 10 Broadband:

Top 10 Broadband (www.top10-broadband.co.uk) is the UK's largest independent broadband comparison site with over one million unique users a month. The site offers comparison tools to users allowing them to make efficient broadband buying decisions.

Links:

Top 10 Broadband homepage:

<http://www.top10-broadband.co.uk>

Mobile broadband page:

http://www.top10-broadband.co.uk/types/mobile_broadband

Contact:

For more information or to arrange an interview, call Jessica McArdle at Formula on 020 3170 8042, or email press@formuladigital.co.uk. Follow us on Twitter, Top10Compare: <http://twitter.com/top10compare>