THE DIGITAL PREMIUM: THE IRISH HOME CONNECTIVITY REPORT.

A WiredScore Report

CONNECTIVITY MATTERS

Year on year, we become more connected. The world's internet users now spend an average of 6 hours and 43 minutes online each day and the typical user now spends more than 40% of their waking life using the internet.

Whilst the government's ambition to move to more fibre connections is welcome, in recent years, Ireland's digital infrastructure has lagged behind its European counterparts, with currently only around 8% of homes having access to fibre-to-the-premises (FTTP) connections.

CONSUMERS PAYING MORE UPFRONT AND IN RESPONSE TO POOR CONNECTIVITY

The lack of digital infrastructure is causing Irish residents significant frustration. According to a recent survey we conducted with Irish consumers 90% have experienced connectivity issues at home, with 48% reporting weekly issues, and 18% reporting daily issues.

In an effort to combat poor connectivity, one in five (29%) of those who have had WiFi issues have bought WiFi extenders/boosters and a quarter (24%) have bought additional data for their mobile phone or tablet. Furthermore, respondents who have experienced issues report being forced to use their mobile data on average 11 times per month to compensate for poor WiFi at home.

Despite these connectivity issues, as of 2020, Ireland was the 9th most expensive country in Europe for internet packages. Consumers not only pay an average of €51.50 a month for their regular connection, but also an estimated extra €78 per year on extra mobile data to make up for their connectivity problems.

CONNECTIVITY PROBLEMS DRIVE RESIDENT DISSATISFACTION

The internet is increasingly necessary for work, play and general life, meaning problems lead to mass frustration and dissatisfaction. In our recent survey, 84% of respondents stated that they expected their internet connection to work like any other utility (gas, water, electricity). The same proportion (84%) think building developers should strongly consider WiFi connectivity throughout the construction process of a property.

These issues are clearly impacting the way people choose their homes with an astonishing 34% of respondents saying they would not have moved in to their current property if they knew their internet connectivity would be poor.

This trend shows no sign of changing direction. In Ireland, as in every country, younger people are using more data, and placing more importance on internet connectivity. Renters, sellers and developers who ignore this fact are likely to face greater tenant turnover and reduced demand for their property.

CONNECTIVITY PREMIUM

Irish consumer's poor experience of connectivity presents an opportunity for institutional landlords. The build to rent sector is relatively new in Ireland and has been experiencing a surge of investment and interest.

Research from the more established US multifamily industry showed that renters in the US are typically willing to pay up to US$32.92 per month extra for pre-installed WiFi, and even more for features such as smart thermostats, smart lighting and in-wall USB ports.

Those in the UK also report a link between better connectivity and more profit. 40% of surveyed UK institutional landlords report increased demand for better-connected properties, 56% keep their tenants for longer, and 61% claim that they can rent their properties at a higher price due to quality connectivity.

The purchase market sees similar advantages – nearly half (47%) of UK developers surveyed sold their properties for a higher price due to stronger mobile and broadband coverage.

GETTING IT RIGHT

Fast, secure digital connectivity in 2020 is a need, not a want, for consumers. As a relatively new asset class, the build to rent sector has an incredible opportunity to set connectivity standards which meet the needs of consumers. The rapid expansion of technology in our homes means that residents need more transparency in the quality of digital connectivity in buildings, so they do not have to shoulder the cost of poor design.

It's up to developers and landlords to stay up to date ensure they're offering the best technology experience for their residents. If that can be achieved, consumers will be able to enjoy connected homes that meet their needs both today and in the future.

METHODOLOGY

WiredScore commissioned Opinium to survey 2,000 Ireland adults, including 1,500 home-owners and 500 renters, in Jan 2020.

Connect with us

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