



# Methodology

## NBN: Value Rank

### December 2018

### What is the Canstar Blue NBN comparison tool?

Canstar Blue's NBN comparison tool, allows consumers to compare the estimated cost of a plan against its included features, by providing an estimated monthly cost, and feature score (out of 10) for each of these three main categories:

- **Customer Service and Support** – availability of customer support through call centre, in-store, in-home, electronic, self-service, and other support services.
- **Inclusions** – data and typical speeds inclusions on plans. *Note: additional offers and bundle inclusions are not considered in the calculation of Canstar Blue's Value Rank.*
- **Billing and Payments** – payment frequencies and options and statement and billing options.

### What are the types of Plans compared in the NBN comparison tool?

Canstar Blue's NBN comparison tool, allows consumers to compare NBN fixed line plans which utilise a physical line running to the premises.

Plan Type	Description
<b>NBN Fixed Line</b>	NBN plans which utilise the physical line running to the premises (FTTP, FTTB, HFC, FTTC and FTTN) are considered.

### Profiles

Canstar Blue takes into account data allowances NBN speed tiers on NBN plans. The following combination of variables determine the plan requirements for each profile:

Data Required	NBN Speed
<b>10 GB+</b>	<b>Basic/Standard</b> or higher <i>max. 12 to 25 Mbps</i>
<b>200 GB+</b>	<b>Standard Plus</b> or higher <i>max. 50 Mbps</i>
<b>500 GB+</b>	<b>Premium</b> <i>max. 100 Mbps</i>
<b>1000 GB+</b>	

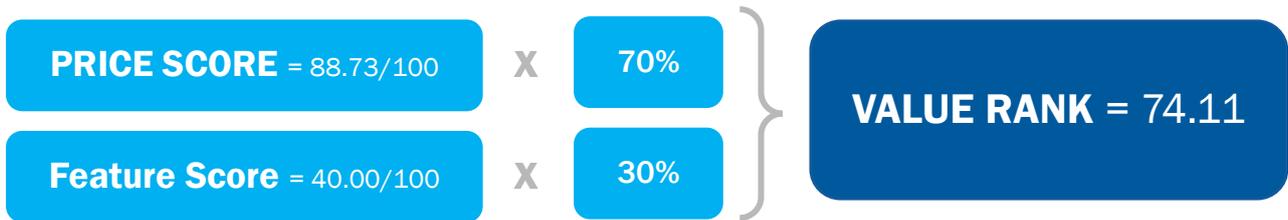
## How does it work? How is the display order determined?

The plan's Value Rank, or, display order, is determined by the Price Score and the Feature Score. Canstar ranks NBN plans based on value-for-money. Whereby, the Value Rank takes into account a plans' estimated monthly cost and features offered as compared to the market. The plans that are lower in cost and have higher features will be ranked higher than plans which have higher cost and less features.



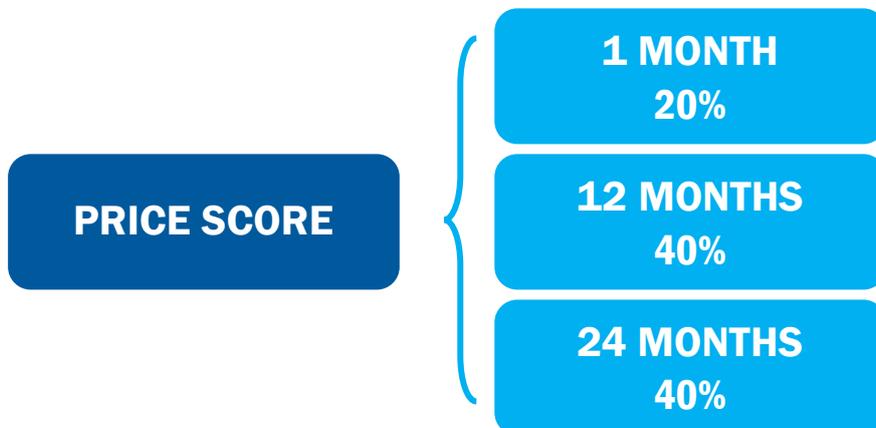
### TOTAL SCORE = PRICE SCORE + FEATURE SCORE

The plans are ordered by Value Rank (i.e. total score), which incorporates a price score weighted at 70% and a feature score of 30%. Below is an example of how the Value Rank score is derived, using the raw weighted figures from the price score and feature score.



### Price Score

The Pricing Score is calculated based on a comparison of a plan's minimum cost per period compared to the cost of the plans available in the market over 1, 12, and 24 months.



The following is a general representation for calculating the minimum cost per period of a plan:



The following assumptions are applied in the calculation of minimum cost per period:

Minimum cost per period is based on the following:	
<b>Period</b>	1, 12, and 24 months are considered.
<b>Monthly Cost</b>	The sum of the subscription costs for the period – assumes that subscription costs will not change during the period in instances where an ongoing contract is not in place.
<b>Cost of modem &amp; delivery</b>	The applicable charge of a modem and any delivery fee that may be applied. For the calculation of the Price Score, where a BYO modem option is available it is assumed that this option is not exercised so as to compare plans on a like-for-like basis.
<b>Setup fees &amp; casual contract fees</b>	Any initial account setup and activation fees that may be applicable and any initial account setup and activation fees that may be applicable.
<b>Discounts</b>	Any discounts or credits that may be applied to the plan, either at signup, for a defined period, or ongoing.

## Feature Score

Canstar Blue's NBN Feature Scores use a unique methodology that compares the functionality and flexibility of electricity providers and their plans. Over 100 features are captured on each plan and grouped into three categories as outlined below:

- **Customer Service and Support** – availability of customer support through call centre, in-store, in-home, electronic, self-service, and other support services.
- **Inclusions** – data and typical speeds inclusions on plans. *Note: additional offers and bundle inclusions are not considered in the calculation of Canstar Blue's Value Rank.*
- **Billing and Payments** – payment frequencies and options and statement and billing options.

The plan with the highest feature score is allocated the maximum score, with all remaining products within the profile scored against it.

Category	Weight	Description
<b>Customer Service &amp; Support</b>	<b>40%</b>	
Enquiries	30%	Hours of availability for billing and enquiries, technical support, etc.
Self Service	20%	Access previous bills, usage insights, check data balances, etc.
Electronic Support	15%	Email and live chat support availability.
Customer Satisfaction	15%	Raw score out of 10 from Canstar Blue's Cust Satisfaction (if no rating, then weighted average)
Instore Assistance	10%	Ability to make account enquiries and receive technical support instore.
Premium Support	5%	Is premium support available, what does it cover, what does it cost?
Home Support	5%	Availability of support at place of residence.
<b>Inclusions</b>	<b>35%</b>	
Typical Speeds	80%	If the typical speed is >= user requirement then max score, else indexed against user requirement.
Data	20%	Feature scoring for different GB (10, 50, 100, 200, 500, 1000, 2000, Unlimited).
<b>Billing &amp; Payments</b>	<b>25%</b>	
Options & Charges	80%	Ability to pay via various channels (e.g. BPAY, Direct Debit, Credit Card, cheque, etc.) and fees that may apply.
Alerts & Reminders	20%	Payment reminders, outstanding bill alerts, SMS alerts, etc.

The feature categories are displayed on Canstar Blue's comparison tool as a rounded number between 1 & 10. The raw weighted scores of the feature categories are used for this display purpose.

Feature score 

 Customer Service & Support

 Inclusions

 Billing & Payments

e.g. 1: A score of 82.65 for the category of 'Customer Service & Support' is rounded to display as a '8'.

e.g. 2: A score of 65.00 for the category of 'Inclusions' is rounded to display as a '7'.

e.g. 3: A score of 98.97 for the category of 'Billing & Payments' is rounded to display as a '10'.

## Does Canstar rate all products in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## How often are NBN Plans reviewed for the NBN Comparison Tool?

Canstar monitors changes on an ongoing basis, and the Value Rank, Pricing Score and Feature Scores of each plan are fully re-calculated every day.

## How are the plans ordered?

Canstar ranks NBN plans based on value-for-money. Whereby, the Value Rank takes into account a plans' minimum cost per period of consideration and features offered as compared to the market. The plans that are lower in cost and have higher features will be ranked higher than plans which have higher cost and less features.



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