

CASE: SIMPLE PREMIUM Wi-Fi SOLUTION WINS CUSTOMERS FOR YOUNG ISP

For the new Danish internet service provider, Fastspeed, part of the solution is in the company name – fast internet connection. But the other half of the company's success lies in simplifying its offer down to one minimalist premium Wi-Fi solution for all customers.

Most Wi-Fi end-consumers have become accustomed to impressive claims of incredible Wi-Fi speeds, but according to Fastspeed CEO, Jens Raith, most consumers have little or no idea about the differences between a 300 or 1,000 Mbit connection.

- Ultimately, the only internet connection, that end-consumers really care about, is the one they experience on their tablets, computers or tv screens. It is really that simple, and that is why we designed our solution as simple as possible, he says.

At its core, the ISP therefore offers a simple solution to match the end-users' needs:

- We offer our customers one solution, that consists of a high quality 1,000 Mbit coaxial or fiber-optic broadband connection and the best router on the market – at a low price, explains Jens Raith.

So, unlike much of their competition, who often offer end-consumers different package solutions and varying speeds, Fastspeed only has one product on offer.

Forget about charging extra for maximum speed

Fastspeed is still a young internet service provider and will celebrate its first anniversary in May 2020. The company is an independent ISP, which means that it does not own its own access network but makes leasing agreements with companies who do. The ambition is to sign leasing agreements to be able to offer its products to every household in Denmark (currently Fastspeed has access to about half of Danish households).

Another key distinguishing feature about Fastspeed is the company's belief that most end-consumers are generally unwilling to pay a premium to get the maximum speed, that a modern fiber-optic connection allows.

- Basically, today in Denmark we are only using 30-40 percent of the expensive fiber infrastructure. Furthermore, ISPs normally only use a fraction of the possible speed of the fibre connections (up to 1,000

“



We offer our customers one solution, that consists of a high quality 1,000 Mbit coaxial or fiber-optic broadband connection and the best router on the market – at a low price,

Jens Raith
CEO at Fastspeed

Mbit). Most internet service providers only sell their fastest connection speeds at a premium price that the average end-consumer either can not or will not pay. When you have a family that have had a DSL-connection for EUR 33/month, they will not take a 1,000 Mbit connection for EUR 66/month – they will take the lower speeds at EUR 33/month, says Jens Raith.

In this market, Fastspeed has flipped the script and is now offering end-consumers a 1,000 Mbit connection for EUR 33/month (for coaxial) and EUR 43/month for fiber connection.

- There is no point in sitting on unused connection speed waiting for buyers, that will never come, says Jens Raith.

And so far, Fastspeed's strategy seems to be working.

Fastspeed has quickly landed more than 20,000 customers and more are soon to follow.

FAST TRACK

1. Fastspeed has in less than a year build a Wi-Fi business with impressive customer intake. The formula for success is a simple solution that combines the highest speed, premium customer premise equipment and a high-quality fiber connection.
2. Fastspeed supplies their end-consumers with a high-quality router to ensure the best possible starting point for a good customer experience. This allows the company to keep abreast and spare its customers for potential performance issues, because things are done right in the first place.
3. Calls from end-consumers are always welcomed, and Fastspeed is not afraid of swamped support lines; the ISP does not only offer a high-quality solution, it also has an effective support set-up in place.

Quality at the heart of the product

To fulfil Fastspeed's growth ambitions, the product needs to be sufficiently appealing to lure end-consumers away from their current providers. And Fastspeed is betting that the quality and price of its product will do just that.

- Because the connection speed at the end-user's device is the only thing that matters, we offer the highest speed, the best router as well as a high quality fiber or coaxial connection, explains Jens Raith. Choosing Icotera to provide premium fiber routers capable of running the high speed in Fastspeed's solution was based on the company's reputation in the industry.

- We know that other successful ISPs have selected Icotera, and so have we. And so far, based on our

customer feedback we have not been disappointed, says Jens Raith.

Not fearing the customer

Fastspeed not only provides the fiber connection but also supplies the end-consumer with a high-quality router to ensure the best possible starting point for a good customer experience. This allows the company to keep abreast and spare its end-consumers for potential performance issues, because things are done right in the first place. And in general, Jens Raith is not afraid of

end-users swamping the support hotline.

- We welcome our customer's feedback. It really is a question of managing expectations. We make a considerable effort of explaining to our customers the difference between connection speed at the access point in the house and the connection speed on your device. And we provide helpful guidance to end-users on how to improve the connection speeds as much as possible, explains Jens Raith.

Fastspeed – a young ISP with ambitions

- Fastspeed was founded in May 2019.
- Fastspeed is an independent internet service provider. It does not own its own fiber access network but signs commercial agreement with companies that do.
- Fastspeed has so far landed over 20,000 customers but looks to expand its business to offer its product to every household in Denmark (it currently covers about half of Danish households).

