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Driving Take-Up in a Maturing Fibre Market

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The UK broadband market is at a critical inflection point. On the surface, advancement appears impressive as approximately 80% of the nation now has access to complete fibre connectivity, and almost £40 billion has been invested in gigabit-capable infrastructure.[1] However, a more complex reality is concealed by these headline numbers.

Take-up has remained consistently low, despite the rapid pace of building. Less than 30% of the 24 million residences and businesses covered by full fibre, roughly 7 million premises, have decided to switch.[2] This disparity between adoption and availability draws attention to one of the most important issues confronting our sector: creating networks is just the initial step; ensuring people use them is the true test.

Therefore, it is clear that simply making networks accessible does not equate to actual digital advancement. While some of the more widely recognised network providers, like CityFibre with roughly 40% take-up or regional specialists like Fibrus with about 50%, are showing promising conversion rates, the overall picture is quite different.[3] The sector's average take-up rate stands at just 17%, underscoring the challenge of translating coverage into financial success.[4]

Investor sentiment is unavoidably being shaped by this disparity between build and adoption. With capital becoming more challenging to secure and profitability under stricter scrutiny, investors are signalling a clear expectation: "demonstrate not only that networks can be built, but also that they can generate revenue." Sales drive profit, and profit is the only credible pathway to providing a sustainable return on investment.

The UK has demonstrated its ability to deploy fibre networks at scale. So why is adoption not keeping pace? Public understanding and perception are key factors.

Due to years of inconsistent and even misleading advertising terminology, a significant percentage of consumers still fail to understand the distinction between FTTP and FTTC. In light of this, many customers mistakenly believe they have a full fibre connection when, in fact, the fibre only extends to the cabinet. This misconception reduces demand, delays the transition to genuine fibre, and eventually threatens the networks' capacity to make a profit.

A further structural obstacle to take-up can be linked to widespread misconceptions and a lack of knowledge about altnet providers. For many consumers, the biggest hurdle is not the technology but the brand. A reluctance to move to a provider customers don't feel familiar with continues to limit take-up across multiple altnets. Adoption is being hindered by worries over service dependability as well as low exposure and mistrust of challenger businesses. Smaller operators need to demonstrate the reliability of their networks and the legitimacy of their brand in a market still dominated by long-standing incumbents.

[1] Steve Leighton, ISPA Salford 2025 Speech, p.2
[2] Steve Leighton, ISPA Salford 2025 Speech, p.2
[3] ISPA UK Fibre Panel May 2025 p.4
[4] ISPA UK Fibre Panel May 2025 p.4

The UK population has to be taken on a journey by the market in general and altnets in particular. Clarity must be provided on why enhanced connectivity includes far more than just faster residential broadband. It is a vital force behind both economic and social development. By putting in place the digital infrastructure needed for long-term development, networks have the potential to drastically alter communities.

Strong connectivity, which supports a range of industries like sophisticated services (AI and similar), logistics, and agriculture, increases the likelihood that businesses will launch, expand, and develop. It improves the delivery of public services and creates opportunities for employment, business, and education. In actuality, stronger connectivity immediately boosts national productivity and economic resilience while also propelling regional development.

However, the benefits of full fibre are not being felt equally. Exclusion still exists on a large scale and can be broken down into three categories: **economic**, where households are unable to pay for the connectivity they need; **geographic**, where availability is limited by remoteness and the accompanying lack of infrastructure; and **educational**, where there is a lack of knowledge about options or technology.
Unless these inequalities are meaningfully addressed, fibre take-up will continue to lag. Deploying fibre is not only about connecting homes and businesses; it empowers families and communities, establishes the framework for fair economic growth, and builds a more inclusive and balanced UK economy.

As previously stated, investors are paying more attention to business operations that are both economically viable as well as sustainable. The increasing number of mergers and acquisitions in the altnet industry reflects the belief held by many that true sustainability can only be attained at scale. 96% of UK altnets are currently considering mergers, acquisitions, or strategic alliances, according to recent research from Neos Networks, demonstrating the scope of this trend and the financial, competitive, and funding challenges influencing the industry.[5]

Although consolidation might offer the scale needed to boost operations and attract investment, its advantages won't become apparent unless it enhances rather than detracts from the customer experience. Any decline in service quality during or after consolidation poses the danger of undercutting the sector's hard-won momentum, slowing adoption, and damaging credibility. Long-term success will be determined by the scale that provides end users with a better, easier, and more dependable experience, not by scale alone.

A Call to Action

The sector must now make take-up and customer conversion top priority if it wants to go from infrastructure success to real economic effect. This demands improved communication, increased transparency, and a new attempt to encourage public confidence in full fibre.

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5 https://neosnetworks.com/resources/press-releases/96-of-uk-altnets-are-considering-ma-according-to-new-research-from-neos-networks/

There are straightforward steps altnets can take. First, the industry's marketing strategy needs to be modified. Communication needs to be clear, accessible and centred on what full fibre legitimately offers rather than just what it is. This entails emphasising the practical advantages, such as improved tools for businesses, stronger communities, faster connectivity, and a more competitive UK economy. On the other hand, using semi-technical terminology and headline speeds simply turns off customers. When individuals start to doubt the messages presented to them, the opportunity to convert them is lost.

In order to ensure that the broader socioeconomic advantages of full fibre are realised, additional public education is required. To support this endeavour and make sure that no community is left behind, the government must play a crucial role.

When the UK phased out analogue television between 2007 and 2012, it launched a nationwide education initiative to guarantee that nobody was left behind. Starting with a technical trial in Ferryside and Llansteffan, residents were guided through a three-month simulcast period before switching fully to digital, with over 99% opting in at the end of the trial.[6] Publicity, including the friendly 'Digit Al' mascot, helped households adopt the service early, making the final switchover seamless.

For comprehensive fibre adoption, a comparable approach is now required: a strong national education campaign is necessary to guarantee that every community is aware of and able to utilise the advantages of next-generation connectivity.

It is still crucial to address the educational, geographic, and economic aspects of digital exclusion. Although there are many services to assist individuals in developing digital skills and incorporating technology into their daily lives, such initiatives are usually dispersed, underfunded, and dependent on volunteers or infrequent private sector support. Even with these nationwide initiatives, 10.2 million UK adults, roughly 20% of the population, are unable to complete all eight basic "Foundation" digital tasks, such as logging into a device, according to the House of Lords Communications & Digital Committee.[7]

A move beyond isolated local programmes is essential, replacing them with a strategy that guarantees everyone has access to meaningful and continuous digital training, regardless of circumstance. Only then can full fibre fulfil its promise of opportunity and inclusivity for all.

Theoretically, the easiest barrier to overcome is geographic exclusion. However, according to Ofcom's Connected Nations 2024 report, close to 9 million UK homes and companies still do not have full fibre.[8] Significant investment is needed to close this gap, as the "low-hanging fruit" of simple networks is largely completed. What's left are the more complex and expensive deployments, often in isolated or hard-to-reach locations, where securing funding remains a major obstacle.

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[6] https://www.sciencemuseum.org.uk/objects-and-stories/how-did-uk-switch-digital-television
[7] https://publications.parliament.uk/pa/ld5803/ldselect/ldcomm/219/21910.htm
[8] Ofcom, 'Connected Nations UK Report 2024', 5 December 2024, p.3

Economic exclusion is a significant obstacle, with 1.9 million households struggling to afford broadband.[9] For individuals in need, social tariffs offer some help, but affordability goes beyond monthly expenses. Without the technology needed to use it, having access to the internet is useless, and many families are still unable to engage in the digital world fully. Even in cases when connectivity is accessible, 14% of young people between the ages of 8 and 25 lack access to a device that is appropriate for learning, demonstrating how device poverty still threatens digital inclusion.[10]

While regional and siloed initiatives exist to address this, there is a strong case for a coordinated national approach that ensures equitable access to both connectivity and the tools needed to make use of it.

All of these fixes need close collaboration across industry, government, and regulators to ensure that every community can participate in the digital economy and to ensure that no single person gets left behind.

Closing Thoughts

The UK reached a critical milestone in its digital infrastructure journey, with the majority of the country being covered by full fibre or gigabit-capable services. The next challenge is moving from build to adoption, ensuring that this advanced network translates into real-world impact.

The success of the UK's digital plan will ultimately be determined by how well these networks are integrated into daily life and corporate operations rather than by the number of miles of fibre installed. The industry's focus needs to change from just expanding to making the most of its current infrastructure in order to boost productivity, promote inclusivity, and support long-term, sustainable economic growth for the country.

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[9] Good Things Foundation, University of Liverpool, 'Digital inclusion: What the main UK datasets tell us', September 2024, p.1
[10] Good Things Foundation, University of Liverpool, 'Digital inclusion: What the main UK datasets tell us', September 2024, p.1

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