2026 BROADBAND PRICING INDEX

# Faster Speeds, Lower Prices

By Arthur Menko, Business Planning, Inc.

## KEY FINDINGS

**Internet prices decline as speeds keep climbing.** Real prices for the most popular internet services fell 6.0% in 2025, while average download speeds climbed 21.9%.

**Gigabit service keeps getting more affordable.** Real prices for gigabit plans declined 4.9% in 2025, as nearly a third of connected households subscribe.

**Savings run deepest on entry-level plans.** Basic broadband internet plans (between 100-249 Mbps) posted the steepest year-over-year price decline: down 17.2% in real terms.

**Consumers do not consider internet service a top household cost concern.** Just 2% of likely voters ranked internet service as a top worry—behind groceries, health insurance, housing, and every other category surveyed.

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**BPI-SPEED:** Tracks pricing for the most popular consumer services—between 100 and 940 Mbps. More than half of U.S. consumers choose plans in this range.

**BPI-GIGABIT:** Tracks pricing for faster services between 940 Mbps and 1 Gbps. Nearly one third of U.S. consumers have selected gigabit and higher speeds.

# EXECUTIVE SUMMARY

**A bright spot in household budgets.** In 2025, internet service continued to stand apart from other household costs, with prices declining for a service that runs faster than ever.

**Prices decline while speeds accelerate.** USTelecom's annual Broadband Pricing Index (BPI)[1] finds that year over year, real prices for the most popular internet services (100–940 Mbps) fell 6.0%, while gigabit plans declined 4.9%.[2] Over the longer term, prices for the internet services most households buy today have fallen 43.6% since 2014,[3] even as other mainstay consumer goods and services have risen 36%. Average download speeds, meanwhile, have surged 21.9% year over year and 145% since 2014.

**The deepest savings are reaching the most price-sensitive households.** For the first time, this year's report breaks out pricing across three speed bands within the 100–940 Mbps range. Prices fell in every tier, with entry-level plans (100–249 Mbps) posting the steepest one-year decline—down 17.2% in real terms—while mid-range plans (250–499 Mbps) fell 8.3% and higher-speed plans (500–940 Mbps) declined 12.6% when adjusted for inflation.

**The trend of consumers choosing faster plans at lower cost likely masks steeper price declines.** This report's findings are conservative given that many households are taking advantage of declining prices to upgrade to faster internet plans. According to the latest FCC data, gigabit subscriptions have grown nearly fivefold since 2020.[4] The BPI's methodology does not account for consumers *choosing* to upgrade to faster service. As a result, the true pricing gains to consumers are likely greater than this index alone captures..

**Competition and private investment are powering these gains.** Fierce competition among diverse internet service providers—backed by tens of billions of dollars in private capital flowing into broadband networks each year—sustains the favorable consumer trend of declining prices and accelerating speeds.[5]

**Consumers confirm the value proposition.** In a recent national poll, just 2% of likely voters selected home internet service among their top two household cost concerns. In fact, internet price concerns ranked the lowest of any category surveyed, behind groceries (39%), health insurance (31%), housing (30%), and gas prices (25%).[6] Declining prices and rising performance are showing up not just in the data, but in how Americans experience their internet service.

**A healthy internet market in practice.** Heated competition, strong private investment and declining prices boost household purchasing power, spur broader adoption of high-speed internet, and support a strong digital foundation for what comes next.

**BPI-SPEED (100–940 MBPS)**

| NOMINAL | | REAL *(Inflation-adjusted)* | |
|---|---|---|---|
| PRICE 2024 $69.98 | CHANGE -0.9% | PRICE 2024 $47.23 | CHANGE -6.0% |
| PRICE 2025 **$69.33** | | PRICE 2025 **$44.38** | |

**BPI-GIGABIT (940 MBPS–1 GBPS)**

| NOMINAL | | REAL *(Inflation-adjusted)* | |
|---|---|---|---|
| PRICE 2024 $97.27 | CHANGE 0.1% | PRICE 2024 $67.41 | CHANGE -4.9% |
| PRICE 2025 **$97.34** | | PRICE 2025 **$64.11** | |

**BPI-SPEED**

| NOMINAL | | REAL *(Inflation-adjusted)* | |
|---|---|---|---|
| PRICE 2014 $122.94 | CHANGE -43.6% | PRICE 2014 $122.94 | CHANGE -63.9% |
| PRICE 2025 **$69.33** | | PRICE 2025 **$44.38** | |

**BPI-GIGABIT**

| NOMINAL | | REAL *(Inflation-adjusted)* | |
|---|---|---|---|
| PRICE 2016 $125.53 | CHANGE -22.5% | PRICE 2016 $125.53 | CHANGE -48.9% |
| PRICE 2025 **$97.34** | | PRICE 2025 **$64.11** | |

# PRICING TRENDS

## Real Prices[7] for Most Popular Internet Services Down 6.0% Year Over Year

For American households, few monthly bills deliver more value than internet service—and that value keeps working harder for every dollar spent. Real prices ticked down again in 2025, with reductions across the board—from entry-level offerings to some of the fastest services available. From 2024 to 2025, adjusted for inflation:

- Prices for the most popular internet services (100–940 Mbps) fell 6.0% when adjusted for inflation.
- Gigabit plans declined 4.9% in real terms.

> **Since 2014, the price of the most popular broadband service Americans buy has fallen by nearly two-thirds— even as speeds have more than doubled.**

## Growing Value Over Time

The year-over-year gains are notable on their own, but they also reinforce a much longer trend. Prices for the most popular internet services are down nearly two thirds in real terms since this index began tracking in 2014, and gigabit plans—tracked since 2016, the first year the FCC's Urban Rate Survey included gigabit offerings from the country's largest providers—have fallen nearly by half on the same inflation-adjusted basis.[8]

BROADBAND PRICING BY BPI-SPEED TIER

| | 100–249 Mbps | 250–499 Mbps | 500–940 Mbps |
|---|---|---|---|
| Nominal Price (2025) | $46.96 | $74.17 | $86.03 |
| 1-Year Nominal Change (2024–2025) | –15.1% | –5.9% | –10.3% |
| 1-Year Real Change (2024–2025) | –17.2% | –8.3% | –12.6% |
| 2-Year Nominal Change (2023–2025) | –36.1% | –10.6% | –10.8% |
| 2-Year Real Change (2023–2025) | –39.6% | –15.4% | –15.6% |

INTERNET SPEEDS SURGE

| BPI SPEED (2024-2025) | | | |
|---|---|---|---|
| WEIGHTED MBPS DOWNLOAD SPEED | | WEIGHTED MBPS UPLOAD SPEED | |
| 2024 283 | GROWTH 21.9% | 2024 95 | GROWTH 4.2% |
| 2025 345 | | 2025 99 | |

| BPI SPEED (2014-2025) | | | |
|---|---|---|---|
| WEIGHTED MBPS DOWNLOAD SPEED | | WEIGHTED MBPS UPLOAD SPEED | |
| 2014 141 | GROWTH 144.8% | 2014 51 | GROWTH 95% |
| 2025 345 | | 2025 99 | |

REAL PRICE PER MEGABIT DROPS

| BPI-SPEED IN REAL 2014 DOLLARS | | BPI-GIGABIT IN REAL 2016 DOLLARS | |
|---|---|---|---|
| PRICE PER MBPS | | PRICE PER MBPS | |
| 2014 $0.87 | CHANGE -85.3% | 2016 $0.13 | CHANGE -49% |
| 2025 $0.13 | | 2025 $0.06 | |

## A Closer Look at BPI-Speed: Entry Level Plans Lead Price Declines

BPI-Speed captures a wide swath of the market—everything from 100–940 Mbps—in a single weighted average. That top-line view is valuable, but as richer provider-level data becomes available, it is possible to examine how pricing is moving within that broad range.

For the first time, this year's report breaks out pricing across three distinct BPI-Speed bands: 100–249 Mbps, 250–499 Mbps, and 500–940 Mbps. This supplemental analysis uses provider-level subscriber data to weight each tier by actual market share at that speed. Prices declined across all BPI-Speed tiers, with entry-level plans posting the steepest year-over-year drop—down 17.2% in real terms.

## Faster Speeds Strengthen Consumer Purchasing Power

Perhaps the most telling measure of what competition and investment have delivered: consumers aren't just paying lower prices—they're getting dramatically more for their money. Average download speeds for the most popular internet services are up 21.9% year over year and roughly 145% since 2014, and upload speeds have nearly doubled. When you combine falling prices with these speed gains, the real price per megabit on many plans has dropped by more than 85%. Bottom line: Many households are paying far less for a service that does dramatically more.

## Gains Likely Run Deeper Than BPI Captures

As prices for faster plans decline, many consumers are choosing to upgrade—yet the BPI's conservative methodology does not fully account for this consumer choice, meaning the full extent of the consumer pricing benefit is likely understated. In reality, consumers are taking advantage of falling prices to move to faster plans. According to the most recent FCC data, gigabit subscriptions alone have grown nearly fivefold since 2020. This rapid adoption reflects the soaring value—and suggests that the true gains to consumers are likely greater than the price index alone captures.

### TOP HOUSEHOLD COST CONCERNS

*"Please choose which TWO are the biggest cost concerns for you personally."*

| | |
|---|---|
| GROCERIES | 39% |
| HEALTH INSURANCE | 31% |
| HOUSING/RENT | 30% |
| GAS PRICES | 25% |
| UTILITIES (ELECTRICITY/GAS/WATER) | 22% |
| PRESCRIPTION DRUGS | 8% |
| EDUCATION/STUDENT LOANS | 7% |
| PERSONAL DEBT (CREDIT CARDS/LOANS) | 7% |
| AUTO INSURANCE | 7% |
| CHILDCARE, ELDER CARE OR LONG-TERM CARE | 6% |
| CELL PHONE PLANS | 3% |
| **HOME INTERNET SERVICE** | **2%** |

*Source: Impact Research, National Opinion Poll, 1,500 Likely Voters, March 24-31, 2026*

### BROADBAND VS. OTHER ESSENTIAL HOUSEHOLD EXPENSES (2024-2025)

| | AVERAGE ANNUAL 2024 | AVERAGE ANNUAL 2025 | YOY PRICE CHANGE |
|---|---|---|---|
| **OVERALL CPI-U** | $313.69 | $321.94 | **2.6%** |
| **CAR INSURANCE** | $843.10 | $893.05 | **5.9%** |
| **RENT** | $418.51 | $433.71 | **3.6%** |
| **COLLEGE TUITION & FEES** | $937.29 | $955.33 | **1.9%** |
| **FOOD & BEVERAGE** | $327.66 | $336.62 | **2.7%** |
| **BPI-SPEED *(Nominal)*** | **$69.98** | **$69.33** | **-0.9%** |
| **BPI-GIGABIT *(Nominal)*** | **$97.27** | **$97.34** | **0.1%** |

## Consumers Least Likely to Rank Internet Bills Among Top Household Cost Concerns

While this index tracks internet pricing trends; a recent national poll captures how consumers actually feel about them as a share of their household budgets. Among 1,500 likely voters surveyed in March 2026, just 2% ranked home internet service among their top cost concerns—behind groceries (39%), health insurance (31%), housing (30%), and every other category tested.

> **Americans are nearly 20 times as likely to worry about their grocery bill than their internet bill.**

## Internet A Bright Spot As Most Household Costs Increased

Among everyday household expenses, internet service stands in a category of its own. From 2024 to 2025, nominal prices for the most popular internet services fell 0.9% while gigabit plans remained flat—at a time when overall household expenses rose 2.6%.

**INTERNET VS. OTHER ESSENTIAL HOUSEHOLD EXPENSES (2014–2025)**

| | AVERAGE ANNUAL 2014 | AVERAGE ANNUAL 2025 | PRICE CHANGE |
|---|---|---|---|
| **OVERALL CPI-U** | **$236.74** | **$321.94** | **36.0%** |
| **CAR INSURANCE** | $437.22 | $893.05 | **104.3%** |
| **RENT** | $281.75 | $433.71 | **53.9%** |
| **COLLEGE TUITION & FEES** | $759.50 | $955.33 | **25.8%** |
| **FOOD & BEVERAGE** | $242.45 | $336.62 | **38.8%** |
| **BPI-SPEED** *(Nominal)* | **$122.94** | **$69.33** | **-43.6%** |

**BPI-GIGABIT VS. OTHER ESSENTIAL HOUSEHOLD EXPENSES (2016–2025)**

| | AVERAGE ANNUAL 2016 | AVERAGE ANNUAL 2025 | PRICE CHANGE |
|---|---|---|---|
| **OVERALL CPI-U** | **$240.00** | **$321.94** | **34.1%** |
| **CAR INSURANCE** | $489.15 | $893.05 | **82.6%** |
| **RENT** | $300.28 | $433.71 | **44.4%** |
| **COLLEGE TUITION & FEES** | $807.00 | $955.33 | **18.4%** |
| **FOOD & BEVERAGE** | $247.65 | $336.62 | **35.9%** |
| **BPI-GIGABIT** *(Nominal)* | **$125.53** | **$97.34** | **-22.5%** |

## Internet Leads on Long-Term Household Value, Too

Most essential goods and services cost more today than they did a decade ago. Internet service is a notable exception. Since 2014, prices for the most popular internet services have declined by 44%. The pattern is clear: among household essentials, internet service leads in delivering more for less year after year.

## Gigabit Plans Counter Long-Term Trend of Rising Household Costs

Gigabit internet was once a premium product beyond the reach of many households. Today it is increasingly mainstream—and affordable. Since 2016, the overall cost of consumer goods and services climbed 34.1%, while gigabit service pricing dropped 22.5% in nominal terms and even more in real terms. The result is a faster, more capable service that has been embraced by 1 in 3 consumers.

# METHODOLOGY

## BPI-Speed

BPI-Speed uses FCC and other public data to assess recent trends in U.S. residential fixed broadband pricing for services ranging from 100 Mbps to 940 Mbps.[9] This index compares prices over two time intervals: (1) year over year; and (2) from a 2014 baseline to 2025.

This research analyzes residential broadband prices across three wired technologies (cable, DSL, and FTTH) from 2014 to 2025. Using the FCC's Urban Rate survey,[10] the 14 largest U.S. wireline broadband providers were selected to benchmark comparable offerings over time. They include the top seven cable and top seven telecom companies by subscriber count and account for over 90% of all terrestrial broadband services sold in the U.S.:

- **CABLE:** Altice,[11] Cable One, Charter, Comcast, Cox, Mediacom and WOW
- **TELECOM:** AT&T, Fidium, Frontier, Lumen, TDS, Uniti and Verizon.

The next step in constructing the BPI-Speed is to establish proper weights for each provider. These are calculated by applying the broadband subscriber market share in 2014 and 2025 for each provider in the given technology (cable, FTTH and DSL). These weights are averaged over the two time periods, then multiplied by the price for that specific offering in that year, and the resulting sum becomes each company's contribution to the overall index from 2014 to 2025. These weights represent a carrier's aggregate market share and not market share at a particular service speed.

BPI-Speed compares each company's fastest 2014 service to its most comparable 2025 service with download speeds between 100 Mbps and 940 Mbps.

Since broadband speeds vary by provider and improve over time, BPI-Speed uses the 2025 service offering most comparable to each company's 2014 highest speed service.

**EXAMPLE:** One company's fastest service in 2014 was 100 Mbps down/5 Mbps up at a price of $114.99 per month. In 2025, that provider offered much faster services. The closest benchmark to that 2014 service found in the 2025 FCC survey is 500 Mbps down/20 Mbps up at a price of $80.00. Download speeds rose 5 times and upload speeds increased 4 times. The consumer price tag dropped in nominal terms by 30.4% and by 55.5% when adjusted for inflation.

This exercise is repeated for each company by technology and the results are weighted by the average of each provider's market share in both years and then aggregated into the "overall weighted price."

### BPI-Speed Tier Analysis

This year's report introduces a supplemental analysis that examines BPI-Speed pricing within three narrower ranges: 100–249 Mbps, 250–499 Mbps, and 500–940 Mbps. The analysis covers the same 14 Peer Providers and three wired technologies (cable, DSL, and FTTH) used in the core BPI-Speed index, and draws on FCC Urban Rate Survey data for 2023–2025.

Where the BPI-Speed weights each provider by its aggregate broadband subscriber market share, the speed tier analysis uses provider-level subscriber estimates from Recon Analytics, disaggregated by speed band. This allows each provider's contribution to the tier-level price to reflect its estimated share of subscribers at that speed, rather than its overall market position.

For each tier and year, a provider's average price is calculated from FCC survey observations using the FCC's geographic weights, then multiplied by the provider's Recon Analytics–derived market share within that tier. The weighted contributions are summed across all providers to produce the aggregate price for each speed band. Sensitivity testing using alternative methods confirmed that the results closely track those produced using FCC geographic weights alone, with estimates diverging by less than 2.7% at every tier and year.

## BPI-Gigabit

This index tracks how prices have evolved over the past nine years. The year 2016 has been chosen as the base year because it is the first year that some Peer Providers registered gigabit plans in the FCC's Urban Rate Survey. Peer Providers are the 14 companies representing 90% of fixed broadband subscribers.

The BPI-Gigabit criteria selected are:

1. Symmetrical speeds from 940 Mbps down and 880 Mbps up to 1 Gigabit down and up.
2. Unlimited usage.
3. FCC Urban Rate Survey data.

From 2016 to 2025, many more providers registered gigabit offerings according to these criteria. In 2016, there were 12 offerings that met the criteria. By 2025, the field grew dramatically to 1,030. Unlike the BPI-Speed approach, gigabit offerings are unweighted by the number of subscribers. Every offering in the FCC's survey that meets the criteria is included, regardless of the size of the provider and no matter how many times a provider occurs in the same or different jurisdictions. Because this approach gives equal weight to every listed offering, the resulting index produces a conservative estimate of actual gigabit pricing trends.

## Information Sources

Publicly available current and past prices of broadband by technology are found in the FCC's annual survey of urban rates. The FCC's Urban Rate Survey collects pricing information by provider for stand-alone residential broadband services as well as by download/upload speed and by technology. This FCC data is a reasonable proxy for nationwide broadband pricing because it is the benchmark utilized for fixed voice and broadband services for the federal universal service program.

The contribution of each company to the overall price of broadband was derived from two primary inputs: (1) the FCC's Urban Rate Surveys, and (2) the average number of broadband subscribers by provider and technology. Subscriber counts are initially sourced from the Leichtman Research Group in the earlier years. Adjustments and updates have been made to subscribers using SEC, investor relations and other sources to reconcile for revisions, mergers, spin-offs and technology segmentation.

For this year's BPI-speed tier analysis, provider-level subscriber estimates disaggregated by speed band were sourced from Recon Analytics. These estimates were used to weight each provider's contribution within the 100–249 Mbps, 250–499 Mbps, and 500–940 Mbps tiers.

## About the Author

Arthur Menko, the founder of Telcodata and Business Planning, Inc., has been providing telecom and broadband research and consulting services since 1984. He has extensive industry background in the economic, regulatory, infrastructure, reliability and competitive market research areas. In recent years he has concentrated in fixed broadband deployment and adoption analytics and policy research matters.

## ENDNOTES

1 The 2026 Broadband Pricing Index reflects 2025 data drawn from the FCC's most recent Urban Rate Survey.

2 The BPI-Gigabit figure is highly conservative. It includes Astound Broadband, an overbuilder competing in already-served metros with pricing more than double the sample average. Excluding Astound, gigabit pricing declined 10.7% in real terms.

3 When the first BPI was published in 2020, we did a five-year look back to 2014 to see how broadband pricing and service had evolved over that span. We continue to use 2014 as our benchmark to chart BPI-Speed.

4 Federal Communications Commission, Internet Access Services (June 2025); available at: https://docs.fcc.gov/public/attachments/DOC-421557A1.pdf. Also notable in this report: residential broadband connections at gigabit speeds (≥940 Mbps) grew 381.5% between 2020 and mid-2025—from 8.3 million to 39.9 million—compared to just 5% growth for connections in the 100 to 940 Mbps range over the same period. The rising value of gigabit service offerings is likely a contributing factor in their accelerated adoption.

5 Providers Invested Nearly $90 Billion in Communications Infrastructure in 2024. Broadband Capex Report, USTelecom, October 21, 2025; available at: https://ustelecom.org/research/2024-broadband-capex-report/.

6 Impact Research, Findings from a Poll of 1,500 Likely Voters Nationwide, March 24-31, 2026.

7 Real prices are adjusted using the annual average CPI-U, replacing the prior Q1 approach, to reflect full-year pricing data. Results are similar under both approaches.

8 2016 has been chosen as the base year for BPI-Gigabit because it is the first year that the major broadband providers registered gigabit plans in the FCC's Urban Rate Survey.

9 Specifically, as in the past, this report develops two metrics for examining broadband pricing by making use of the FCC's Urban Rate Survey. This data set contains 12,336 plan observations in 2025 and is statistically constructed to represent an accurate profile of a mix of U.S. broadband prices at various speeds/technologies and fixed providers (small and large) throughout the entire country. The FCC's Urban Rate Survey considers only residential fixed broadband prices, while the Bureau of Labor and Statistics considers bundled services and their related voice and television offerings.

10 Urban Rate Survey Data & Resources, Federal Communications Commission, 2025; available at: https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources.

11 Altice has been split into its two pre-merger organizations, CSC (Cablevision) and Suddenlink, since the FCC rate survey identified them separately. Uniti and Fidium are referenced by their respective prior names, Windstream and Consolidated, in the FCC rate survey.