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ICT Market Trends

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Market characteristics post BTA

Open trade in telecommunication services has contributed to:

On the business/public sector side
- Competition and privatization
- New market opportunities
- Higher levels of investments and revenues
- New business models and technological innovations

On the consumer side
- Lower prices for businesses and consumers
- More consumer choices through new products, services and applications
- Higher ICT levels and new ICTs
10 years before and after the BTA

It took over a century to reach 1 billion telephone subscribers

(A little over) 3 years for the third billion

2 years for the fourth billion

4 years for the second billion

Source: ITU World Telecommunication/ICT Indicators Database
Competition and growth in the mobile sector

**Mobile subscriber and fixed lines per 100 population, World**

- **Fixed lines**
- **Mobile subscribers**
- **Mobile penetration: annual growth rate 1997-2007 CAGR: 29%**

**Growth of competition in mobile, 1995-2006**

- **Competition**
- **Monopoly**

Source: ITU World Telecommunication/ICT Indicators Database

Source: ITU World Telecommunication Regulatory Database
Secrets of success

- **Affordability**
  - Although rebalancing initially increased local call prices, international calls and mobile and Internet tariffs have decreased substantially over the last decade

- **Accessibility**
  - In 2006, global mobile population coverage was 79%

- **Innovation in applications, services & devices**
  - Prepaid (flexibility & control, low-income groups)
  - SMS (affordable, easy to use)
  - Ultra-low-cost handsets

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**Prepaid subscribers as a % of mobile cellular subscribers, 2006**

- **Asia**
- **Oceania**
- **Americas**
- **World**
- **Europe**
- **Africa**

Source: ITU World Telecommunication/ICT Indicators Database
Mobile sector...still room for growth?

- Majority of new subscribers during 2007 come from BRIC economies
  - Brazil: 15 million
  - Russia: 20 million
  - India: 45 million (18%)
  - China: 80 million (40%)

- From 2G to 3G and +
  - Despite 3G auction rollercoaster and delays in rollout, more and more countries today are licensing commercial 3G networks
  - 3G subscriber numbers on the rise

Source: ITU World Telecommunication/ICT Indicators Database
IMT worldwide, 2007

Source: ITU World Telecommunication Regulatory Database