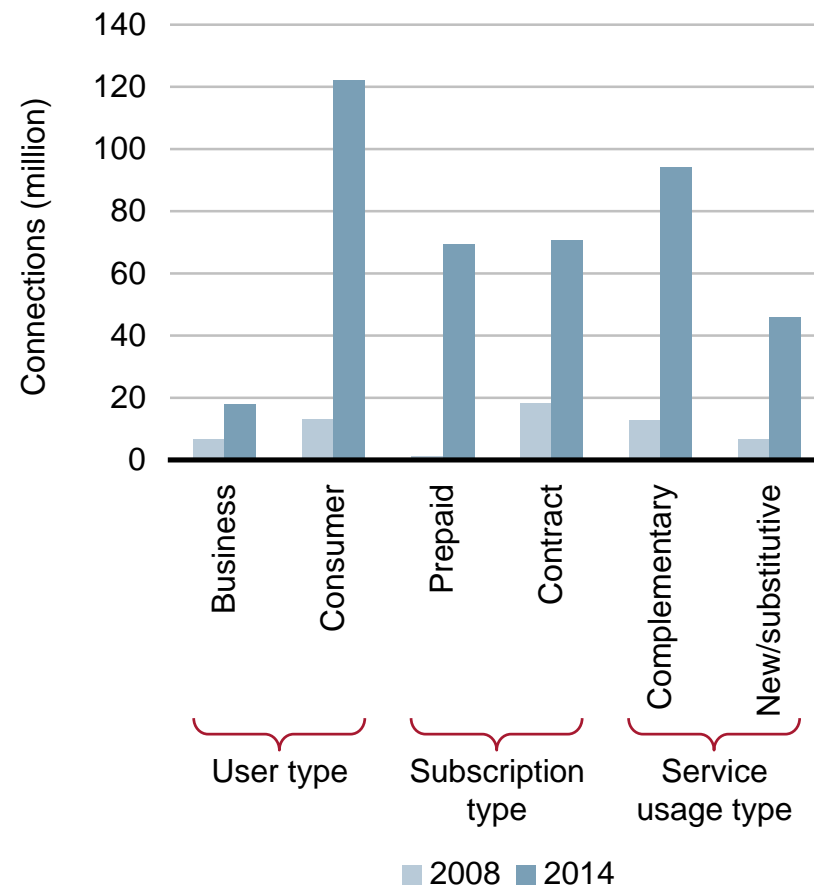


Casual users will dominate the installed base during the forecast period

- The most prominent market development during the next five years will be the increasing dominance of casual users of mobile broadband:¹
 - consumers, rather than business users, will account for most of the growth in connections – business users’ share of broadband connections will decline from 34% in 2008 to 13% by 2014
 - prepaid subscriptions accounted for only 1.2 million connections in 2008, but will increase to 69 million in 2014, when they will overtake the number of connections accounted for by contract customers
 - most connections will be used as a complementary, rather than new or substitutive, broadband service during the forecast period.

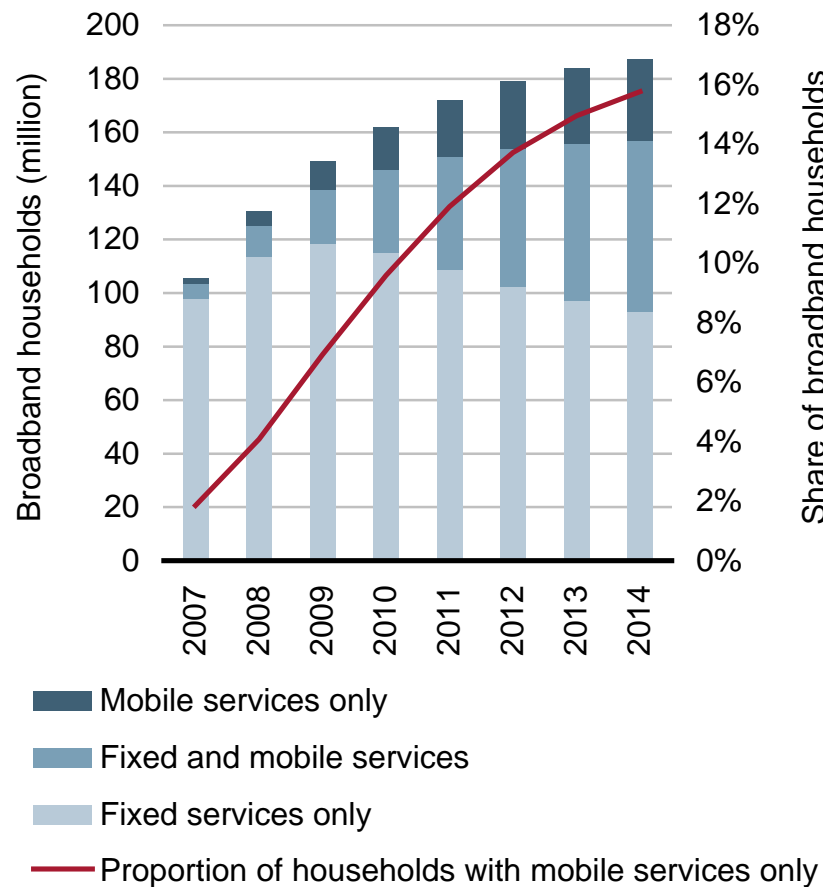
¹ For further details of this trend, see Hatton, M., *Casual subscribers will drive the next wave of mobile broadband growth – MNOs must be ready*, Analysys Mason (Cambridge, 2009).

Figure 8: Mobile broadband connections in Europe by user, subscription and service usage type, 2008 and 2014 [Source: Analysys Mason, 2009]



Many broadband households will have added mobile broadband as a complementary service by 2014

Figure 16: Broadband households in Europe by service type, 2007–2014 [Source: Analysys Mason, 2009]



- As mobile broadband adoption grows, the proportion of broadband households in Europe that rely solely on DSL or cable will decline substantially, from 85% in 2008 to 49% in 2014.
- Most households will use mobile broadband services as a complement to their fixed services. The proportion of broadband households that use both types of service will increase to 34% in 2014.
- The proportion of households that adopt mobile services as a substitution for fixed services will continue to grow, reaching 16% by 2014. At first, this will be partly driven by households that previously had no access to a broadband service.
- Mobile services' limited ability to provide high-bandwidth services (such as 'over-the-top' video), as well as market inertia and fixed operators' increasingly aggressive NGA strategies, will ensure that fixed-line services continue to have a significant market share.