

RESEARCH FORECAST REPORT

# TELECOMS SERVICES FOR ENTERPRISES: HONG KONG FORECAST 2017-2022

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## About this report

This report analyses the demand for telecoms services by micro, small and medium-sized enterprises (SMEs) and large enterprises in Hong Kong, expressed in terms of revenue, connections or users, and average revenue per user (ARPU).<sup>1</sup>

It highlights that overall enterprise revenue for operators in Hong Kong will fall between 2017 and 2022 and identifies the key drivers behind this trend.

It quantifies the market for fixed and mobile voice and data services, IoT connectivity services, and other business services such as security, co-location and hosting, enterprise mobility and software-as-a-service (SaaS).

The report is based on several sources, including data from operators, Statistics Korea, and from Analysys Mason’s 2017 survey on enterprises’ telecoms and ICT usage.

### WHO SHOULD READ THIS REPORT

- Operators that want to identify key areas for revenue growth, both in terms of enterprise segments and individual services.
- Vendors that are considering targeting the enterprise market.
- Third-party service providers seeking collaborative relations with operators.

### REPORT COVERAGE

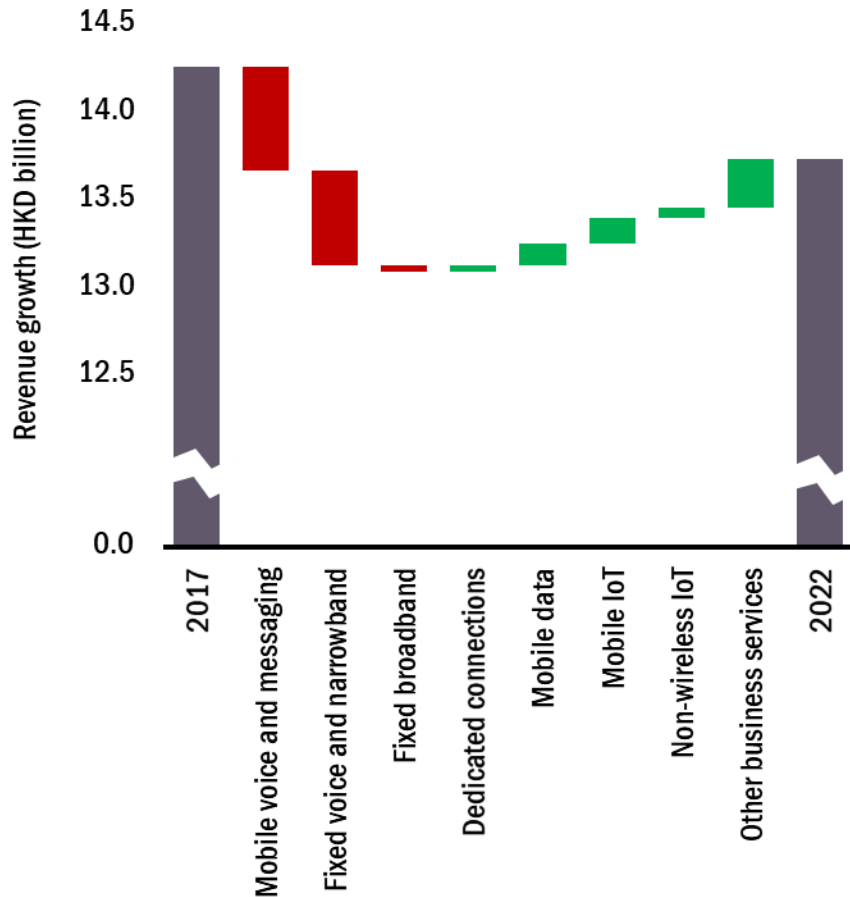
| Geographical   | Services <sup>2</sup>  |  |
|--|--|--|
| <b>Countries modelled individually:</b> <ul style="list-style-type: none"> <li>▪ Hong Kong</li> </ul>  | <b>Mobile:</b> <ul style="list-style-type: none"> <li>▪ Voice, messaging and handset data</li> <li>▪ Mobile broadband</li> <li>▪ IoT connectivity (mobile and LPWA)</li> </ul>   | <b>Other business services:</b> <ul style="list-style-type: none"> <li>▪ Unified communications</li> <li>▪ Security</li> <li>▪ Co-location and hosting</li> </ul>  |
|  | <b>Fixed:</b> <ul style="list-style-type: none"> <li>▪ Narrowband and VoBB</li> <li>▪ ADSL/SDSL, vDSL, FTTP/B, cable, BFWA, other fixed broadband</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Private cloud</li> <li>▪ Software-as-a-service (SaaS, public cloud)</li> <li>▪ Platform-as-a-service (PaaS, public cloud)</li> <li>▪ Infrastructure-as-a-service (IaaS, public cloud)</li> <li>▪ Enterprise mobility</li> <li>▪ Desktop management</li> </ul> |
| <b>Enterprise size</b>   | <ul style="list-style-type: none"> <li>▪ Dedicated connections up to 100Mbps, &gt;100Mbps and up to 1Gbps, and &gt;1Gbps</li> <li>▪ Traditional managed services</li> <li>▪ IoT connectivity (non-wireless)</li> </ul> |  |
| <b>Segments:</b> <ul style="list-style-type: none"> <li>▪ Micro (0–9 employees)</li> <li>▪ Small (10–49 employees)</li> <li>▪ Medium (50–249 employees)</li> <li>▪ Large (250+ employees)</li> </ul> |  |  |

<sup>1</sup> For the complete data set, see Analysys Mason’s [DataHub](#).

<sup>2</sup> See service taxonomy in the ‘Forecast methodology and assumptions’ section of this report.

# Executive summary: operator enterprise revenue will fall, driven by declines in voice services

Figure 1: Change in telecoms operator retail revenue from enterprises by service type (where red denotes a decrease, and green an increase), Hong Kong, 2017–2022<sup>1</sup>

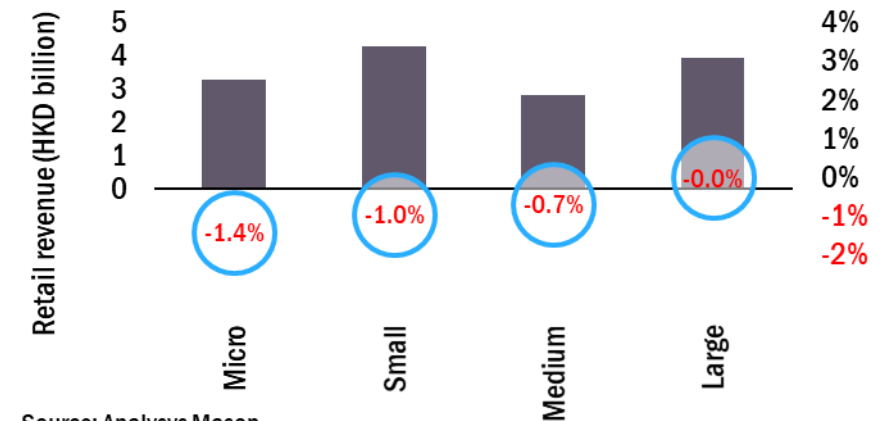


<sup>1</sup> See Presentation of results in the Methodology section of this report for full definitions of the aggregate categories presented in figures.

Figure 2: Connections for enterprises and CAGRs by type of connection, Hong Kong, 2017–2022<sup>1</sup>

| Connection type       | Connections (thousand) |      | CAGR      |           |
|-----------------------|------------------------|------|-----------|-----------|
|                       | 2017                   | 2022 | 2013–2017 | 2017–2022 |
| Mobile handsets       | 2000                   | 1900 | 1.0%      | -1.0%     |
| Mobile broadband      | 300                    | 300  | 9.9%      | 0.0%      |
| Mobile IoT            | 300                    | 3600 | 18.8%     | 64.4%     |
| Fixed voice           | 1800                   | 1800 | -0.6%     | 0.0%      |
| Fixed broadband       | 420                    | 460  | 2.5%      | 1.8%      |
| Fixed dedicated lines | 47                     | 48   | 0.5%      | 0.4%      |
| Non-wireless IoT      | 2000                   | 3700 | 35.3%     | 13.1%     |

Figure 3: Telecoms operator retail revenue from enterprises in 2017 and CAGR for 2017–2022 by enterprise size, Hong Kong, 2017<sup>1</sup>



Source: Analysys Mason

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## About the authors



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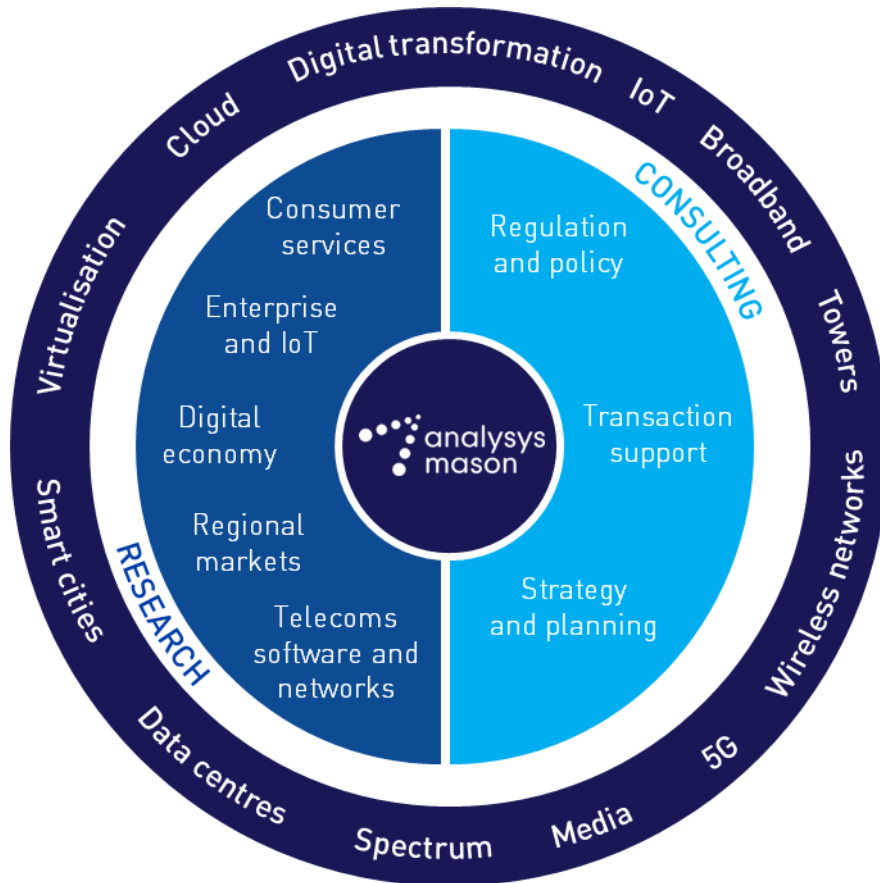


**Catherine Hammond** (Senior Analyst) is an analyst for Analysys Mason's *Enterprise and IoT* research programme, specialising in market forecasting. She previously worked for nine years as a Senior Manager within Analysys Mason's Consulting practice, undertaking work for a wide range of operators, regulators and government agencies in Europe and Asia. Her work included the development and review of quantitative models, assessment of business plans, development of market forecasts, collation and analysis of benchmarks, development of white papers and leading client workshops and major presentations. She holds an MA in mathematics from the University of Cambridge.



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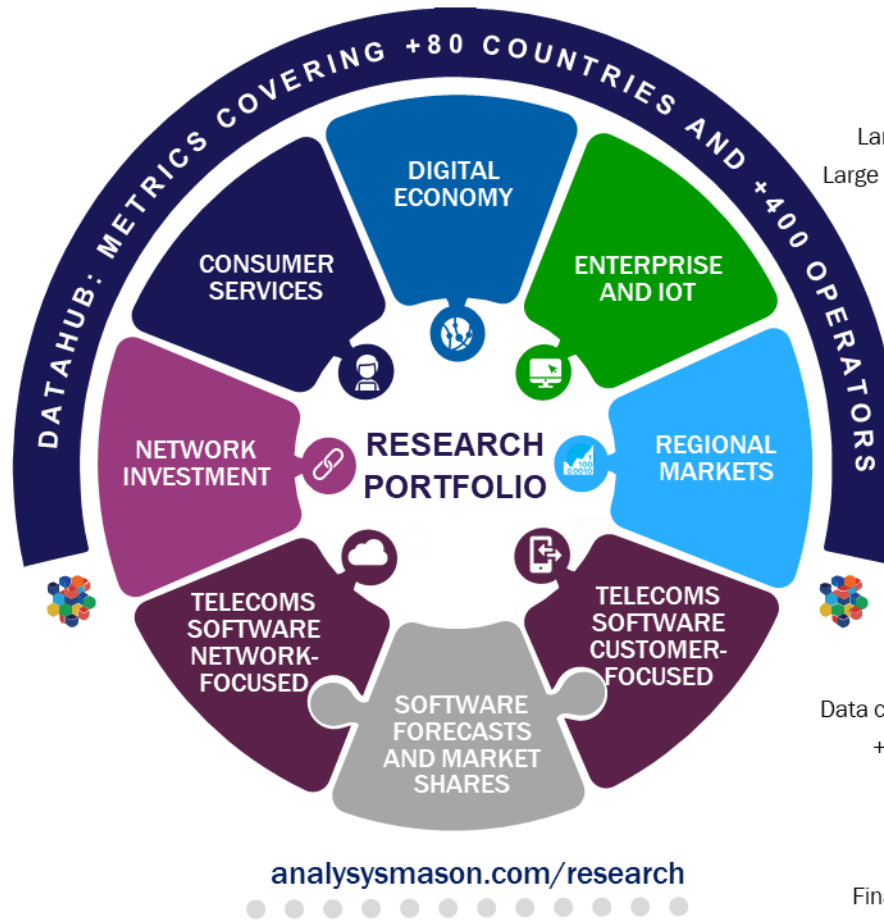
## RESEARCH

- Our dedicated team of analysts track and forecast the different services accessed by consumers and enterprises.
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# Research from Analysys Mason

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  - Mobile Devices
  - Fixed Broadband Services
  - Convergence Strategies
  - Video Strategies
- Network investment programmes**
  - Network Investment Strategies
  - Network Traffic
  - Spectrum
- Telecoms software and networks programmes**
  - Software Forecast and Strategy
  - Telecoms Software Market Shares
- Network-focused**
  - Next-Generation Wireless Networks
  - Service Delivery Platforms
  - Service Fulfilment
  - Service Assurance
  - Network Orchestration
  - Software-Controlled Networking
- Customer-focused**
  - Digital Experience
  - Customer Engagement
  - Monetisation Platforms
  - AI and Analytics

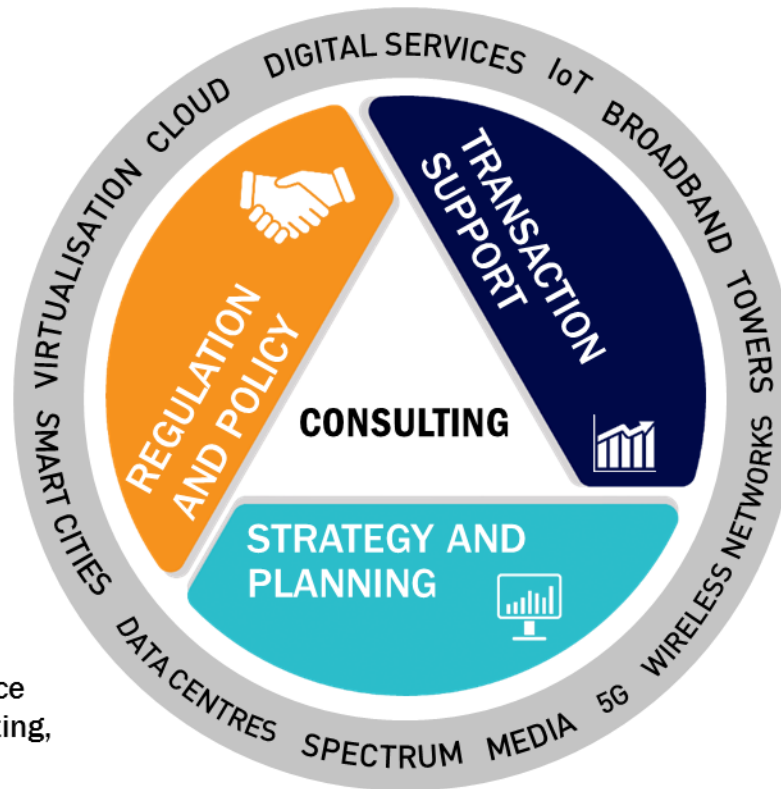


- Digital economy programmes**
    - Digital Economy Strategies
    - Future Comms
  - Enterprise and IoT programmes**
    - Large Enterprise Voice and Data Connectivity
    - Large Enterprise Emerging Service Opportunities
    - SME Strategies
    - IoT and M2M Services
    - IoT Platforms and Technology
  - Regional markets programmes**
    - Global Core Data
    - Americas
    - Asia-Pacific
    - Middle East and Africa
    - European Core Forecasts
    - European Telecoms Market Matrix
    - European Country Reports
- DataHub**
- Data covering +80 countries and +500 operators
  - +2300 forecast and +250 historical metrics
  - Regional results and worldwide totals
  - Operator historical data
  - Compare markets and operators
  - Financial values in USD, EUR or local currency
  - Export data to Excel and save searches

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- Technology optimisation
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