

Global telecoms market: trends and forecasts 2020– 2025



Stefano Porto Bonacci

February 2021, based on data up to 2Q 2020




About this report

Analysys Mason provides detailed 5-year forecasts of the fixed and mobile telecoms market. Our forecasts take into consideration the likely range of economic impacts that the COVID-19 pandemic may have on operators' telecoms service revenue worldwide.¹

This report focuses on operators' core telecoms services. It includes discussion of IoT, pay-TV and operator business services. These services are discussed in detail in our other research programmes.

Our forecasts are informed by on-the-ground, regional market experts from our topic-led research programmes and our consulting division, as well as external interviews. In addition to our robust set of historical data, our forecasts draw on a unique and in-house modelling tool, which applies a rigorous procedure (reconciling different sources, standard definitions, top-down and bottom-up modelling).



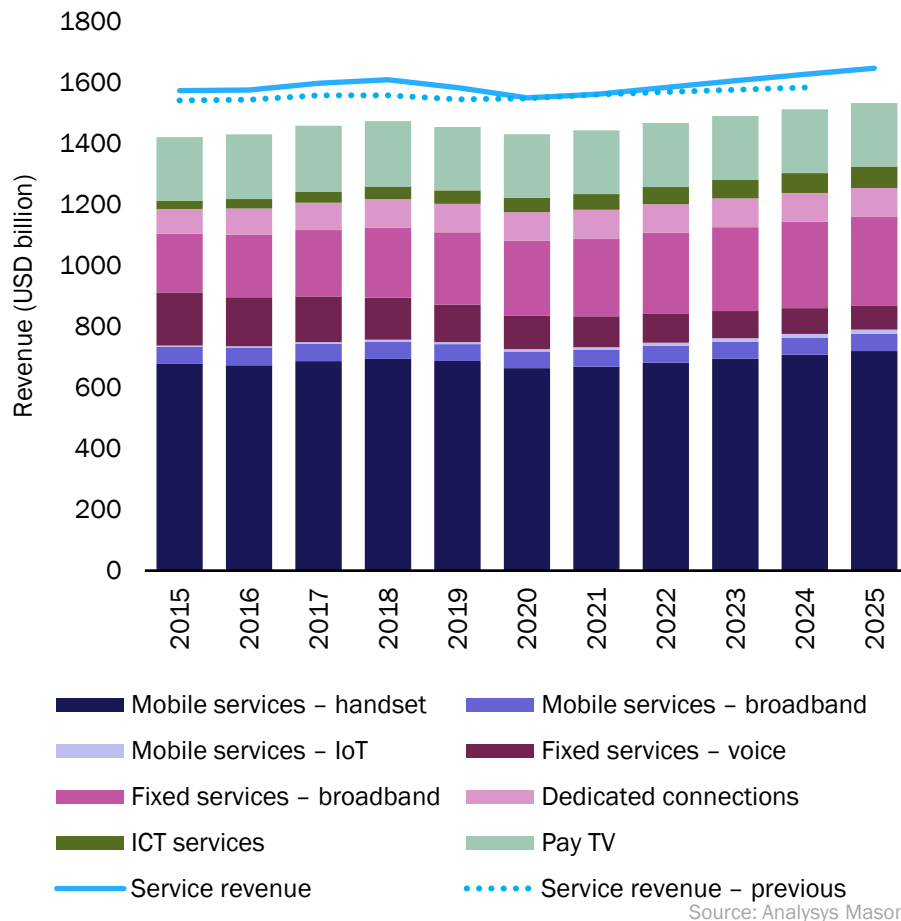
Our forecasts are refined throughout the year. This report presents the results at the time of publication and will continue to give useful background information about key drivers. However, we recommend that you always use the Analysys Mason [DataHub](#) to view the latest data associated with this report.

REPORT COVERAGE		
Geographical	Key performance indicators (around 200 plus an additional 150 for WE and CEE only)	
Regions modelled: <ul style="list-style-type: none"> ▪ Central and Eastern Europe (CEE) ▪ Developed Asia-Pacific (DVAP) ▪ Emerging Asia-Pacific (EMAP) ▪ Latin America (LATAM) ▪ Middle East and North Africa (MENA) ▪ North America (NA) ▪ Sub-Saharan Africa (SSA) ▪ Western Europe (WE) 	Connections	Revenue/ARPU/ASPU
	Mobile	Mobile
	<ul style="list-style-type: none"> ▪ Handset, mobile broadband,² IoT³ ▪ Prepaid, contract ▪ 2G, 3G, 4G, 5G ▪ Smartphone, non-smartphone 	<ul style="list-style-type: none"> ▪ Service,⁴ retail, wholesale ▪ Handset, mobile broadband,² IoT³ ▪ Handset voice, messaging, data ▪ Prepaid, contract ▪ 2G, 3G, 4G, 5G
	Fixed	Fixed
	<ul style="list-style-type: none"> ▪ Voice, broadband ▪ Narrowband voice, VoBB ▪ DSL, FTTP/B, cable, FWA, 5G, other 	<ul style="list-style-type: none"> ▪ Service,⁴ retail, wholesale ▪ Voice, broadband, dedicated connections ▪ DSL, FTTP/B, cable, FWA, 5G, other
	Pay TV	Pay TV
	Traffic	
	Fixed and mobile	ICT services
	<ul style="list-style-type: none"> ▪ Outgoing voice minutes, MoU 	Pay TV
	Mobile data traffic	

¹ More details about the COVID-19 forecast can be found in Analysys Mason's [COVID-19 scenarios for telecoms operator service revenue: worldwide forecasts 2019–2024](#). ² Includes USB modem, and mid- and large-screen, but not handset-based data. ³ IoT connections and revenue figures include mobile services only. ⁴ Service revenue is the sum of retail and wholesale revenue.

Telecoms and pay-TV retail revenue worldwide will grow at a CAGR of 1.2% between 2020 and 2025, driven by a growing customer base for FTTP/B and mobile services

Figure 1: Telecoms and pay-TV retail revenue by type and total service revenue, worldwide, 2015–2025



The COVID-19 pandemic will lead to a short-term decline in the total telecoms service revenue in 2020 and 2021.

We expect that the annual growth rate for the combined fixed and mobile service revenue worldwide will be -2.1% in 2020 (compared to 0.2% in our pre-COVID-19 forecasts) and 0.7% in 2021. The impact of the pandemic on operator revenue will fall in 2021 as lockdown measures are relaxed. Mobile roaming revenue, the number of mobile prepaid connections and pay-TV content revenue were all badly hit by the effects of the pandemic, but fixed broadband revenue continued to grow steadily in 2020.¹ Lockdown measures reinforced the need to have a strong and reliable internet connection because of remote working.

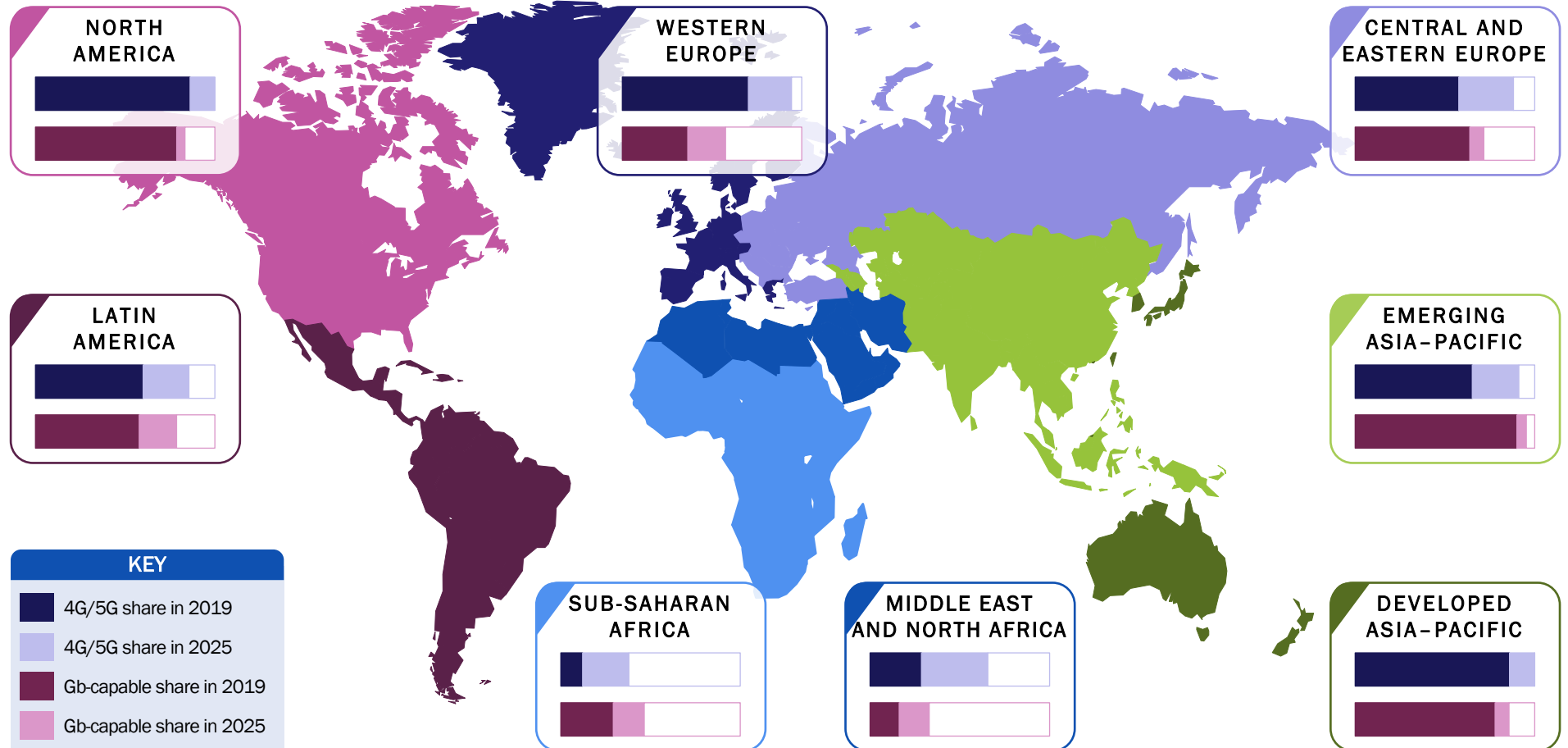
Telecoms revenue growth worldwide will come from an increase in the number of mobile connections and the rising take-up of FTTP/B services.

Mobile service revenue will grow by 1.5% per year over the forecast period thanks to a growing number of connections (mainly in EMAP (excluding China) and SSA) and customers' slow migration towards contract plans. 5G will lead to only a slight increase in revenue due to price competition and limited 5G-only premium content. Fixed operators worldwide will focus on network upgrades and FTTP/B roll-outs. The number of FTTP/B users worldwide will increase by over 30% between 2020 and 2025 to 935 million, and the fixed broadband retail revenue will grow by 20% during the same period.

¹ For more information, see Analysys Mason's [The post-pandemic landscape: the impact of COVID-19 and opportunities for telecoms operators](#).

Geographical coverage: the take-up of 4G/5G services will be more rapid than that of gigabit-capable connections due to a faster 4G/5G coverage expansion

Figure 2: 4G/5G share of mobile connections and gigabit-capable share of fixed broadband connections by region, worldwide, 2019 and 2025¹



¹ Mobile connections exclude IoT connections. We consider cable and FTTP/B connections to be 'gigabit-capable' (Gb-capable).



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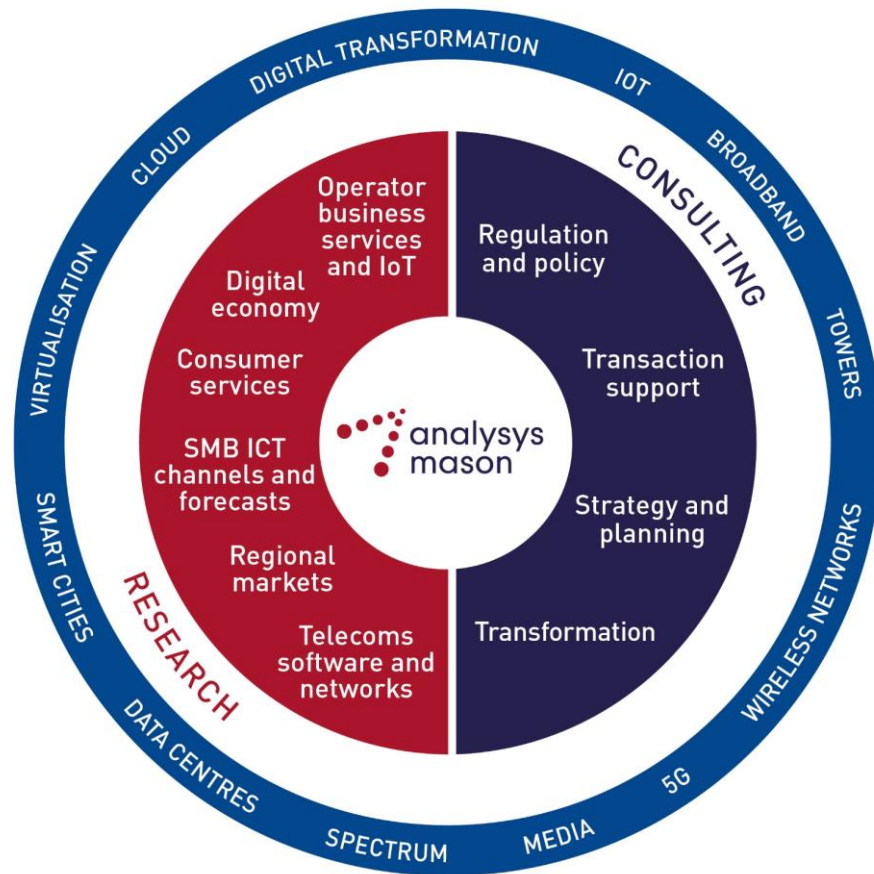
About the author



Stefano Porto Bonacci (Analyst) is a member of the regional markets research team in London, contributing mainly to the *Global Telecoms Data*, *Asia-Pacific* and *Wireless Infrastructure* research programmes. He specialises in market size, quantitative forecasting modelling and mobile data traffic analysis. He holds a BSc and an MSc in Economic and Social Sciences from Bocconi University. Stefano has experience as economic analyst at the European Commission and at an economic policy think-tank.

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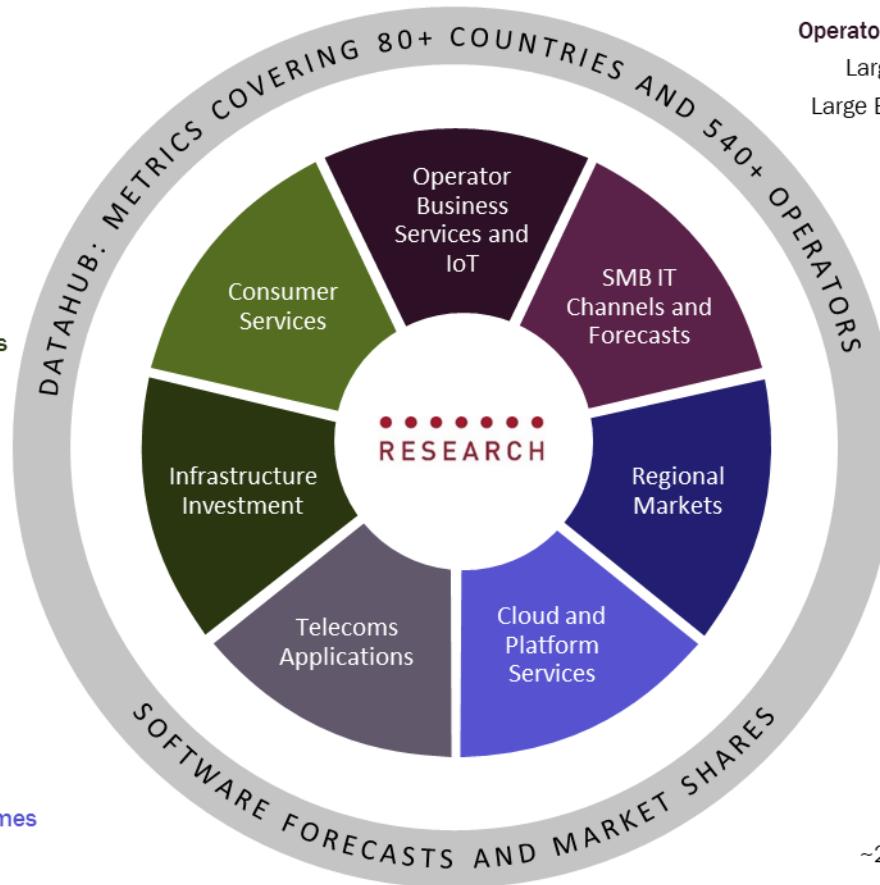
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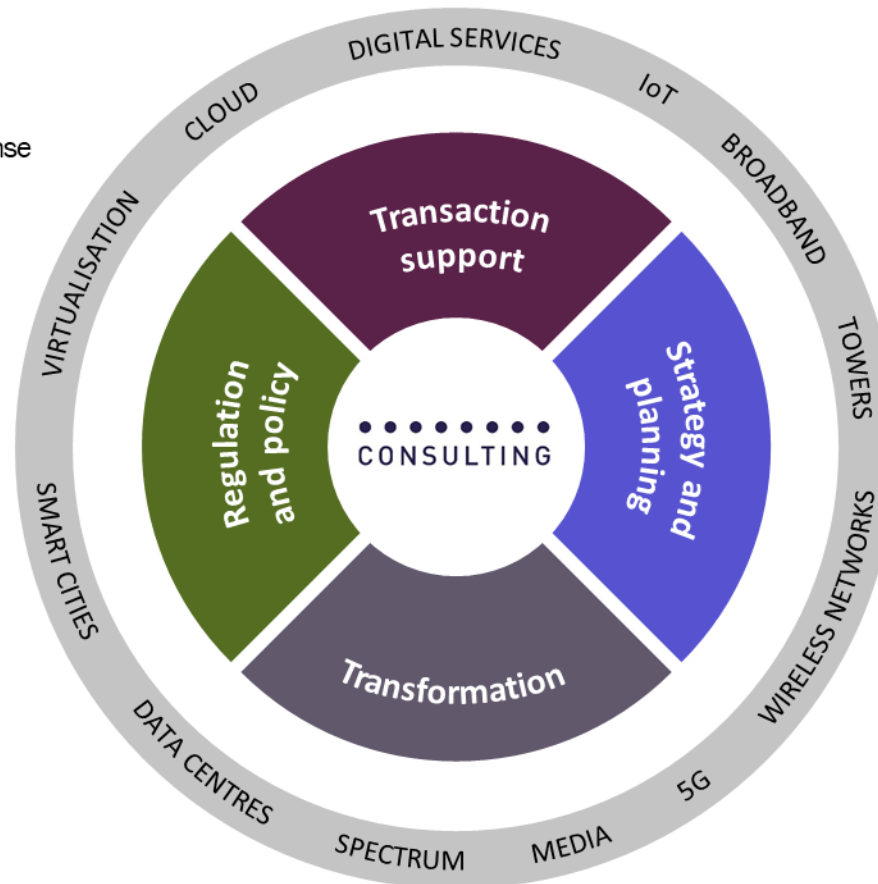
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- Ex-post / abuse of dominance
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Bush House • North West Wing • Aldwych • London • WC2B 4PJ • UK

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