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RESEARCH

Latin America telecoms market: trends and forecasts 2019–2024

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December 2019, based on data up to 2Q 2019

About this report

This report provides:

- **a 5-year forecast of more than 180 mobile and fixed KPIs for Latin America** (LATAM) as a whole and for six key countries
- **an in-depth analysis of the trends, drivers and forecast assumptions** for each type of mobile and fixed service, and for the key countries
- **an overview of operator strategies and country-specific topics**, in order to highlight similarities and differences by means of a cross-country comparison
- **a summary of results, key implications and recommendations** for mobile and fixed operators.

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 methodology (reconciliation of different sources, standard definitions, top-down and bottom-up modelling).

DataHub

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

Regions modelled

- Latin America (LATAM)

Countries modelled individually

- Argentina
- Brazil
- Chile
- Colombia
- Mexico
- Peru

Key performance indicators

Connections

Mobile

- Handset, mobile broadband,[1] IoT[2]
- Prepaid, contract
- 2G, 3G, 4G, 5G
- Smartphone, non-smartphone

Fixed

- Voice, broadband, IPTV, dial-up
- Narrowband voice, VoBB
- DSL, FTTP/B, cable, BFWA, 5G, other

Voice traffic

Fixed and mobile

- Outgoing minutes, MoU

Revenue

Mobile

- Service,[3] retail
- Prepaid, contract
- Handset, mobile broadband,[1] IoT[2]
- Handset voice, messaging, data

Fixed

- Service,[3] retail
- Voice, broadband, IPTV, dial-up, specialist business services
- DSL, FTTP/B, cable, BFWA, other

ARPU

Mobile:

- SIMs, handset
- Prepaid, contract
- Handset voice, data

[1] Includes USB modem, and mid- and large-screen, but not handset-based data.
[2] IoT connections and revenue figures include mobile services only.
[3] Service revenue is the sum of retail and wholesale revenue.

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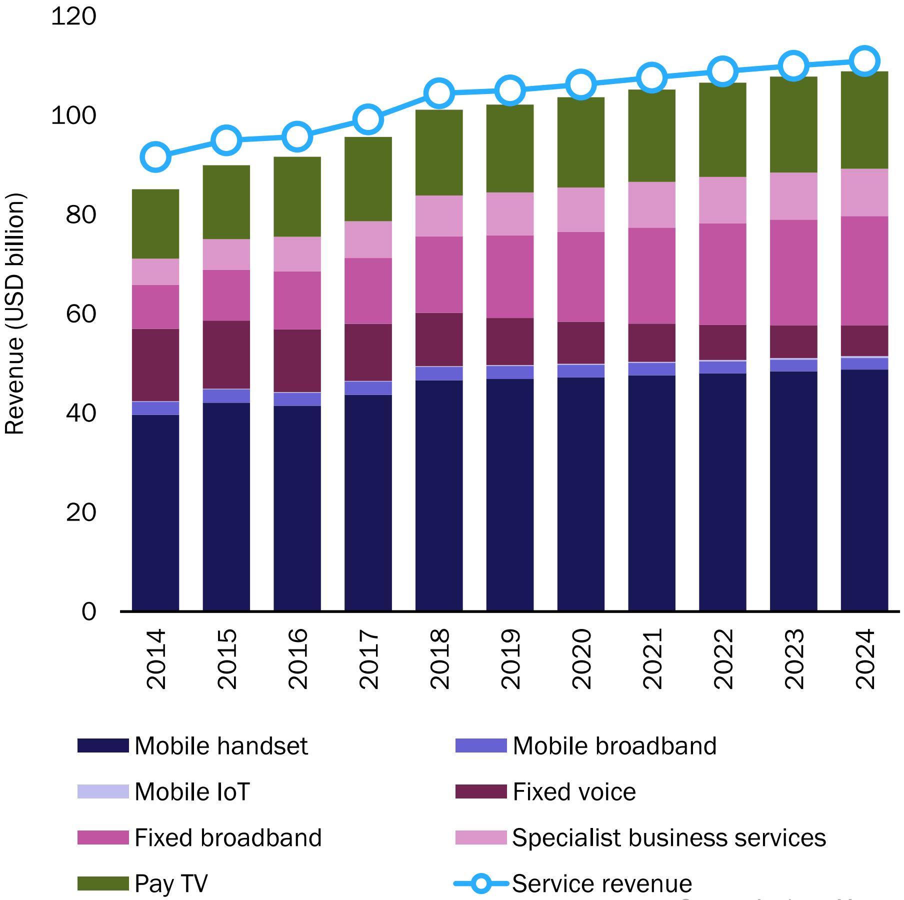
Revenue from mobile handsets, fixed broadband and pay TV will be the main driver of telecoms retail revenue growth in Latin America

Figure 1: Telecoms and pay-TV retail revenue by type and total service revenue, Latin America, 2014–2024



Source: Analysys Mason

The growing adoption of fixed broadband, mobile data and IPTV services will drive telecoms service revenue in Latin America.

The telecoms retail revenue in Latin America (LATAM) will grow at a CAGR of 1.2% between 2018 and 2024.

Mobile handset retail revenue accounted for 46.1% of the total telecoms retail revenue in 2018; this share will decline slightly to 44.8% in 2024. We expect that mobile handset retail revenue will grow at a CAGR of 0.8% between 2018 and 2024, driven by increasing data usage and prepaid-to-contract migration. This will be caused by growing 4G availability and the launch of 5G services and more-attractive contract packages.

We expect that fixed broadband revenue will grow at a CAGR of 6.1% during the forecast period, driven by the rapid adoption of next-generation access (NGA)-based services.

The pay-TV segment will also facilitate overall telecoms retail revenue growth. We expect that the number of pay-TV connections will increase during the forecast period, driven mainly by the increased availability of triple-play bundling as well as growth in fibre and cable coverage. ARPU will also increase thanks to the popularity of sport and local content.

The developing IoT sector will generate the lowest share of the telecoms retail revenue, but its revenue will grow the fastest (at CAGR of 16.1% between 2018 and 2024).

Geographical coverage: NGA and 4G/5G connectivity will increase considerably across the region thanks to strong investments from operators

Figure 3: 4G/5G share of mobile connections and NGA share of fixed broadband connections by country, Latin America, 2018 and 2024[1]

[1] For a full list of countries modelled as part of the Latin America region, please see the accompanying data annex. Mobile connections exclude IoT connections. NGA share of fixed broadband connections is calculated as cable, VDSL and FTTP/B connections (that provide access speeds of 30Mbit/s or more) divided by the total number of fixed broadband connections.

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About the authors

Jakub Konieczny (Research Analyst) is a member of the regional markets research team in London, contributing mainly to the *Telecoms Market Matrix*, *European Country Reports* and *Global Telecoms Data* research programmes. Jakub holds a BEng in petroleum engineering from the University of Aberdeen.

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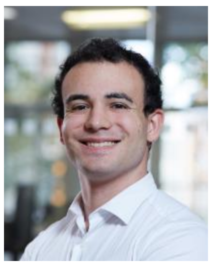

Francesco Paolo Bellomo (Intern Research Analyst) is a member of the Data Team in London, contributing primarily to the *Telecoms Market Matrix* and *European Country Reports* research programmes. Francesco holds a BSc in Economics and Finance from Queen Mary, University of London, and a MSc in Finance from Warwick Business School.

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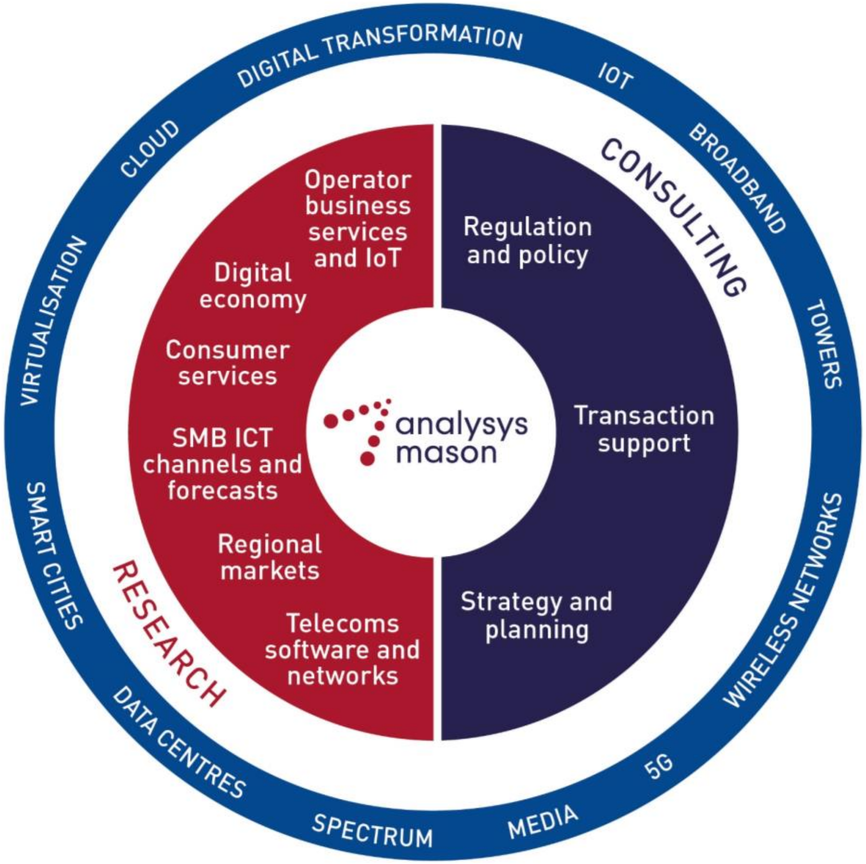
Analysys Mason’s consulting services and research portfolio



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We deliver tangible benefits to clients across the telecoms industry:

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