



# Mobile services in the Middle East and North Africa: trends and forecasts 2019–2024



Julia Martusewicz-Kulinska and Karim Yaici



# About this report

This report provides commentary and trend analysis to support our 5-year forecast for the Middle East and North Africa (MENA). It includes worldwide context and commentary on six key countries: Egypt, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE).

Our forecasts are based on our robust set of historical data and draw on a unique and in-house modelling tool that applies a rigorous methodology (reconciliation of different sources, standard definitions, top-down and bottom-up modelling).

For the complete data set for the region, please see Analysys Mason’s DataHub at [www.analysismason.com/DataHub](http://www.analysismason.com/DataHub).

**WHO SHOULD READ THIS REPORT**

- Market intelligence, strategy and project managers at mobile operators in the Middle East and North Africa.
- Regulatory bodies in the Middle East and North Africa.
- Financial institutions that directly invest in the telecoms sector in the region, or advise others that do so.
- Press and media bodies that need a foundation of knowledge of the mobile telecoms market in the Middle East and North Africa.



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](http://www.analysismason.com/DataHub) to view the latest data associated with this report.

GEOGRAPHICAL COVERAGE	KEY METRICS
<p><b>Regions modelled</b></p> <ul style="list-style-type: none"> <li>▪ Middle East and North Africa (MENA)</li> </ul> <p><b>Countries modelled individually</b></p> <ul style="list-style-type: none"> <li>▪ Algeria</li> <li>▪ Egypt</li> <li>▪ Iran</li> <li>▪ Iraq</li> <li>▪ Israel</li> <li>▪ Kuwait</li> <li>▪ Morocco</li> <li>▪ Oman</li> <li>▪ Qatar</li> <li>▪ Saudi Arabia</li> <li>▪ Tunisia</li> <li>▪ United Arab Emirates (UAE)</li> </ul>	<p><b>Connections</b></p> <ul style="list-style-type: none"> <li>▪ Handset, mobile broadband, IoT</li> <li>▪ Prepaid, contract</li> <li>▪ 2G, 3G, 4G, 5G</li> <li>▪ Smartphone, non-smartphone</li> </ul> <p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>▪ Service, retail</li> <li>▪ Prepaid, contract</li> <li>▪ Handset, mobile broadband, IoT</li> <li>▪ Handset voice, messaging, data</li> </ul> <p><b>ARPU</b></p> <ul style="list-style-type: none"> <li>▪ SIMs, handset</li> <li>▪ Prepaid, contract</li> <li>▪ Handset voice, data</li> </ul>

# Contents

## 5. Executive summary

6. Executive summary

## 7. Worldwide trends

8. Worldwide: mobile data will remain the key driver of telecoms mobile retail revenue growth

## 9. Regional trends

10. The fast adoption of mobile data services will help telecoms operators to maintain service revenue growth

11. Mobile services will account for most of the telecoms revenue in the region, driven by the growing demand for data and the fast migration from 3G to 4G

12. Population service penetration will remain flat because most of the mature markets have reached saturation point

13. ARPU levels will be highly dependent on GDP per capita, competition levels and the penetration of data services

14. The total mobile revenue will continue to increase due to the demand for data and the introduction of faster networks such as LTE and 5G

## 15. Country-level trends

16. Egypt: there are strong revenue growth prospects in the mobile market due to high service demand and infrastructure investments

17. Kuwait: mobile revenue growth will be limited by market saturation and the declining prices of data packages

18. Oman: a new mobile entrant will increase competition in the mobile market

19. Qatar: operators in the country aim to lead in 5G coverage in the region and will focus on the quality of service for data users

20. Saudi Arabia: mobile service revenue will be boosted by the launch of 5G technology and the adoption of service-based tariffs

21. UAE: mobile data revenue and the recent launch of 5G will help operators to grow their mobile revenue in the next 5 years

## 22. Forecast methodology and assumptions

23. Our forecast model is supported by sound market knowledge

24. Examples of forecast input drivers

## 25. About the authors and Analysys Mason

26. About the authors

27. Analysys Mason's consulting and research are uniquely positioned

28. Research from Analysys Mason

29. Consulting from Analysys Mason

## List of figures

Figure 1: Telecoms and pay-TV retail revenue, by type, and total service revenue, Middle East and North Africa, 2014–2024

Figure 2: Mobile service revenue by location, Middle East and North Africa and worldwide, 2014–2024

Figure 3: Telecoms retail revenue by mobile service type, and mobile ARPU, Middle East and North Africa, 2014–2024

Figure 4: Telecoms retail revenue and growth rate by service type, Middle East and North Africa, 2014–2024

Figure 5: Mobile connections by type, Middle East and North Africa (million), 2014–2024

Figure 6: Mobile connections by generation, Middle East and North Africa (million), 2014–2024

Figure 7: Mobile ARPU by type, Middle East and North Africa (USD per month), 2014–2024

Figure 8: Contract share of mobile connections (excluding IoT), Middle East and North Africa, 2014–2024

Figure 9: Mobile data traffic per connection, Middle East and North Africa (MB per month), 2014–2024

Figure 10a: Mobile penetration by country, Middle East and North Africa, 2014–2024

Figure 10b: Mobile penetration by country, Middle East and North Africa, 2014–2024

Figure 11a: Mobile ARPU by country, Middle East and North Africa, 2014–2024

Figure 11b: Mobile ARPU by country, Middle East and North Africa, 2014–2024

Figure 12: Mobile ARPU, Egypt (EGP per month), 2014–2024

Figure 13: Mobile connections by type, Egypt (million), 2014–2024

Figure 14: Mobile ARPU, Kuwait (KWD per month), 2014–2024

Figure 15: Mobile connections by type, Kuwait (million), 2014–2024

Figure 16: Mobile ARPU, Oman (OMR per month), 2014–2024

Figure 17: Mobile connections by type, Oman (million), 2014–2024

Figure 18: Mobile ARPU, Qatar (QAR per month), 2014–2024

Figure 19: Mobile connections by type, Qatar (million), 2014–2024

Figure 20: Mobile ARPU, Saudi Arabia (SAR per month), 2014–2024

Figure 21: Mobile connections by type, Saudi Arabia (million), 2014–2024

Figure 22: Mobile ARPU, UAE (AED per month), 2014–2024

Figure 23: Mobile connections by type, UAE (million), 2014–2024

## Worldwide: mobile data will remain the key driver of telecoms mobile retail revenue growth

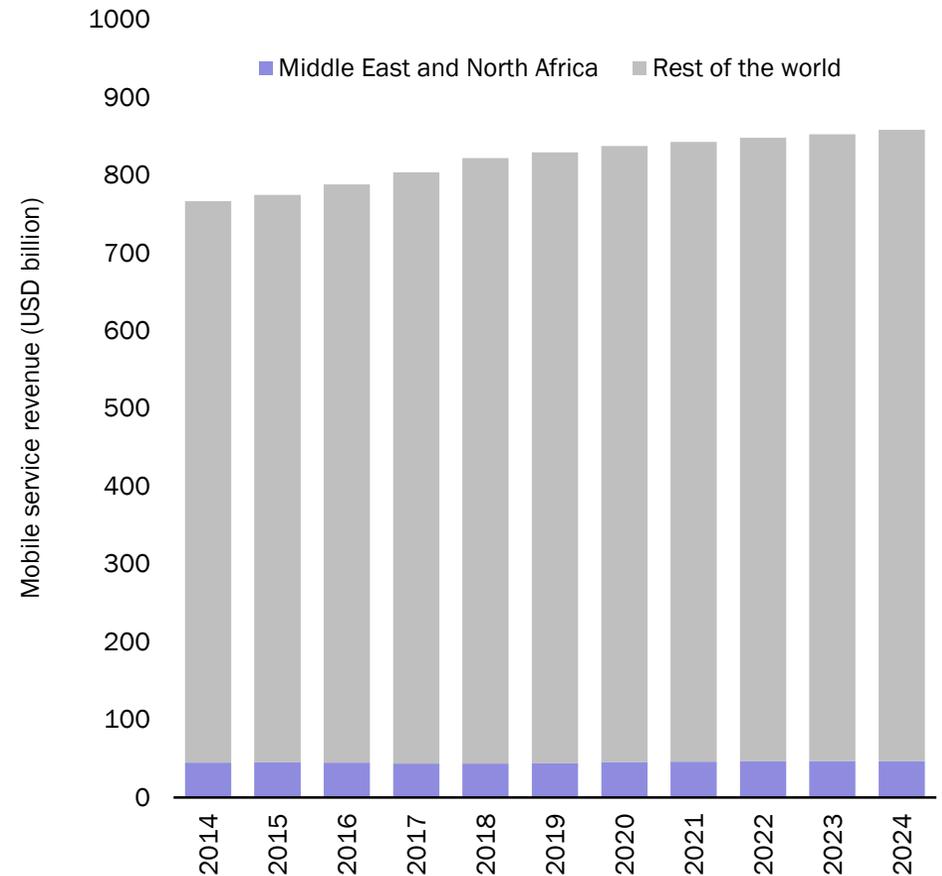
**Worldwide telecoms service revenue will increase at a CAGR of 0.7% between 2018 and 2024, driven mainly by data demand.**

The fastest mobile revenue growth will be seen in Sub-Saharan Africa (SSA), followed by Central and Eastern Europe (CEE). We expect that revenue in both regions will grow at a CAGR of around 2.4% between 2018 and 2024. This growth will be driven mainly by the high demand for mobile services in SSA and by increasing LTE coverage and data usage in CEE. Developed Asia–Pacific (DVAP) will be the only region in the world with a declining mobile service revenue due to high level of competition and saturating user base. Mobile revenue growth in MENA and Latin America (LATAM) will be positive (with a CAGR exceeding 1% during the forecast period), mainly due to increasing data usage.

**MENA's share of worldwide mobile revenue will increase only slightly between 2018 and 2024, from 5.3% to 5.4%.**

Mobile handset revenue remains the key driver of mobile revenue growth in MENA. Improving 4G coverage and the introduction of 5G services will help to address data demand. Data services take-up will be supported by increasing access to smartphones and improved affordability and flexibility of data plans. The increasing data usage will help to offset declining voice revenue due to OTT service substitution. In countries with high GDP per capita, operators will focus on prepaid-to-contract migration by offering large data allowances and bundles with video content, gaming and social media services to more-demanding users.

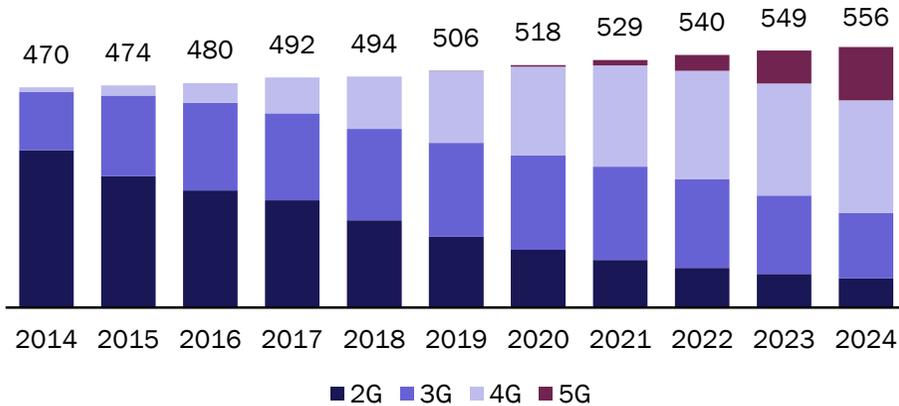
**Figure 2: Mobile service revenue by location, Middle East and North Africa and North Africa and worldwide, 2014–2024**



Source: Analysys Mason

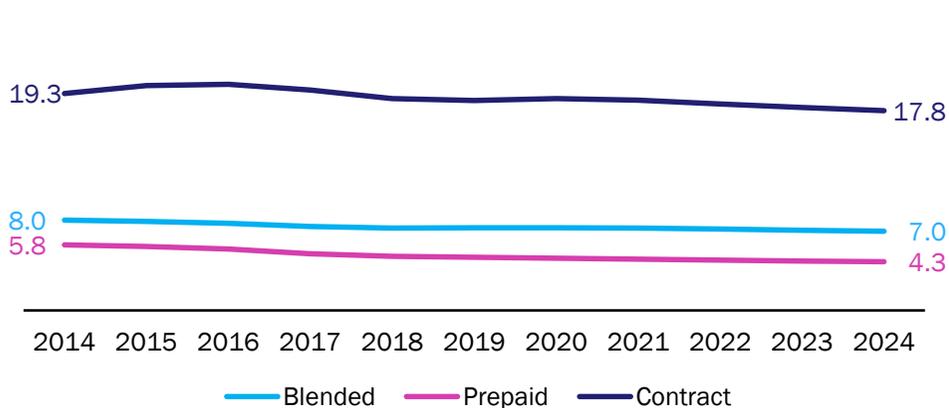
# Mobile services will account for most of the telecoms revenue in the region, driven by the growing demand for data and the fast migration from 3G to 4G

**Figure 6: Mobile connections by generation, Middle East and North Africa (million), 2014–2024**



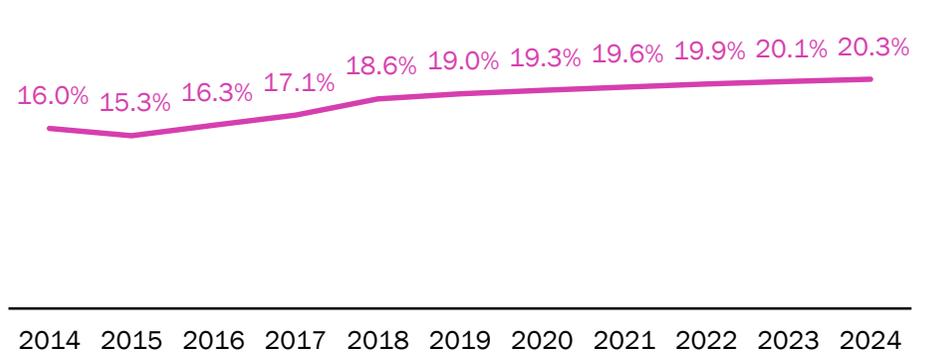
Source: Analysys Mason

**Figure 7: Mobile ARPU by type, Middle East and North Africa (USD per month), 2014–2024**



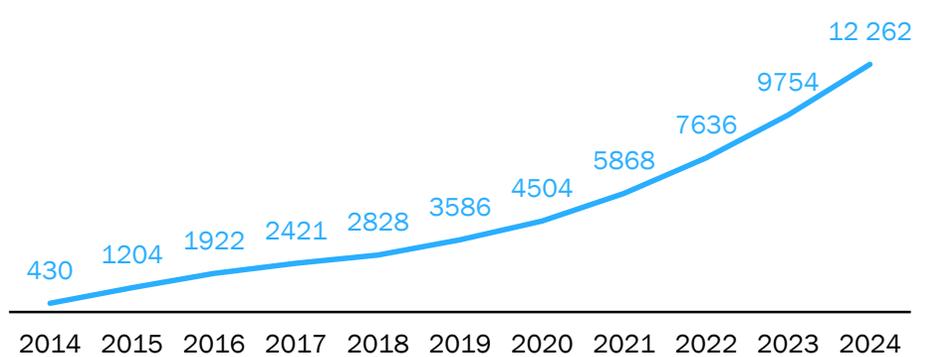
Source: Analysys Mason

**Figure 8: Contract share of mobile connections (excluding IoT), Middle East and North Africa, 2014–2024**



Source: Analysys Mason

**Figure 9: Mobile data traffic per connection, Middle East and North Africa (MB per month), 2014–2024**



Source: Analysys Mason



# Contents



Executive summary

Worldwide trends

Regional trends

Country-level trends

Egypt

Kuwait

Oman

Qatar

Saudi Arabia

Forecast methodology and assumptions

**About the authors and Analysys Mason**

## About the authors



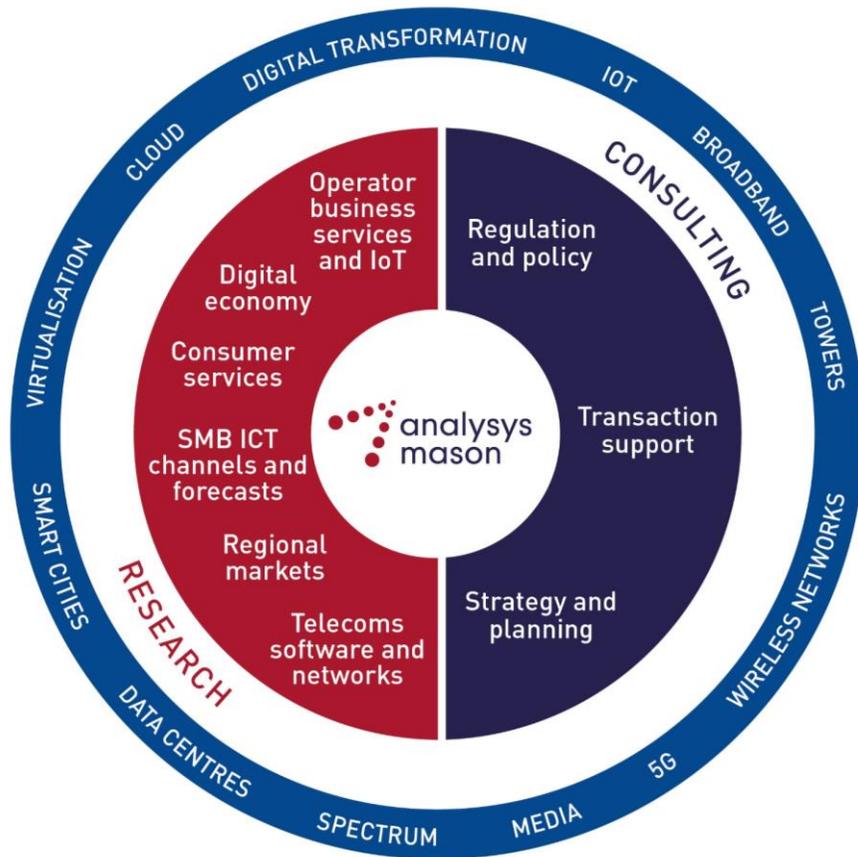
**Julia Martusewicz-Kulinska** (Senior Analyst) is a member of the regional markets research team, contributing mainly to the *European Core Forecasts*, *Telecoms Market Matrix* and *European Country Reports* programmes. She has more than 16 years of research and telecoms industry regulations experience. Prior to joining Analysys Mason, she worked for the Qatar national regulatory authority as a Competition Analysis section manager and for Polish national regulatory authority as the head of the Research Division, where she was responsible for telecoms market research, and as the leader of the Telecommunications Market Analysis Department, which was accountable for co-operation between the regulatory authority and the Information Society and Media DG of the European Commission.



**Karim Yaici** (Senior Analyst) leads Analysys Mason's *The Middle East and Africa* regional research programme. His primary areas of specialisation include operators' digital strategies, new telecoms opportunities and challenges, and consumer trends in growth markets. Prior to joining Analysys Mason, Karim was an associate analyst at Ovum, where he authored reports on mobile accessories and mobile applications. Prior to that, he worked as a research engineer at the Institute for Communication Systems and Vodafone. Karim holds an MSc in Information Systems Management from the University of Southampton and a PhD in human-computer interaction from the University of Surrey.

# Analysys Mason’s consulting and research are uniquely positioned

## Analysys Mason’s consulting services and research portfolio



### CONSULTING

We deliver tangible benefits to clients across the telecoms industry:

- communications and digital service providers, vendors, financial and strategic investors, private equity and infrastructure funds, governments, regulators, broadcasters, and service and content providers.

Our sector specialists understand the distinct local challenges facing clients, in addition to the wider effects of global forces.

We are future-focused and help clients understand the challenges and opportunities that new technology brings.

### RESEARCH

Our dedicated team of analysts track and forecast the different services accessed by consumers and enterprises.

We offer detailed insight into the software, infrastructure and technology delivering those services.

Clients benefit from regular and timely intelligence, and direct access to analysts.

# Research from Analysys Mason

## Consumer services programmes

- Mobile Services
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- Convergence Strategies
- Video Strategies

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- Operator Investment Strategies
- Network Traffic
- Spectrum

## Telecoms software and networks programmes

- Software Forecast and Strategy
- Telecoms Software Market Shares
- Network-focused**
- Next-Generation Wireless Networks
- Video and Identity Platforms
- Service Design and Orchestration
- Automated Assurance
- Network Automation and Orchestration
- Digital Infrastructure Strategies

## Customer-focused

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- Customer Engagement
- Monetisation Platforms
- AI and Analytics



## Digital economy programmes

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- Future Comms

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- Large Enterprise Emerging Service Opportunities
- SME Strategies
- IoT and M2M Services
- IoT Platforms and Technology

## SMB ICT channels and forecasts programmes

- Managed Service Provider Strategies
- Cyber Security

## Regional markets programmes

- Global Telecoms Data
- Americas
- Asia-Pacific
- Middle East and Africa
- European Core Forecasts
- European Telecoms Market Matrix
- European Country Reports

## DataHub

- ~2500 forecast and 250+ historical metrics
- Regional results and worldwide totals
- Operator historical data

# Consulting from Analysys Mason

## REGULATION AND POLICY

- Policy development and response
- Ex-ante market reviews, remedies, costing...
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- Scarce resources: radio spectrum management, auction support, numbering...
- Ex-post/abuse of dominance
- Postal sector



## TRANSACTION SUPPORT

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- Technical due diligence
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- Debt and initial public offerings (IPOs)
- Joint-venture structuring
- Mid-market financial sponsors

## STRATEGY AND PLANNING

- Commercial expertise
- Technology optimisation
- New digital frontiers

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Bush House • North West Wing • Aldwych • London • WC2B 4PJ • UK

Tel: +44 (0)20 7395 9000 • Email: [research@analysismason.com](mailto:research@analysismason.com) • [www.analysismason.com/research](http://www.analysismason.com/research) • Registered in England and Wales No. 5177472

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