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Mobile services in Western Europe: trends and forecasts 2019–2024

Ibraheem Kasujee and Stefano Porto Bonacci

RESEARCH

About this report

This report provides commentary and trend analysis to support our 5-year forecast for Western Europe (WE).

The report forecasts are informed by on-the-ground market experts from our Research and Consulting divisions, and external interviews. We also draw upon Analysys Mason's *Telecoms Market Matrix*, a comprehensive source of trusted quarterly data that sizes European telecoms markets.

For the complete data set for the region, please see Analysys Mason's DataHub at www.analysysmason.com/DataHub.

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.

WHO SHOULD READ THIS REPORT

- Market intelligence, strategy and project managers at mobile operators in Europe.
- Regulatory bodies in Europe.
- 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 European mobile telecoms market.

GEOGRAPHICAL COVERAGE

Regions modelled:

- Western Europe

Countries modelled individually:

- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Greece
- Ireland
- Italy
- Netherlands
- Norway
- Portugal
- Spain
- Sweden
- Switzerland
- UK

KEY METRICS

Mobile connections:

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

Mobile revenue:

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

Mobile ARPU:

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

Voice traffic:

- Outgoing minutes, MoU

[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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Worldwide: mobile data demand will drive telecoms revenue growth in most regions

Data demand will continue to drive revenue growth in most regions.

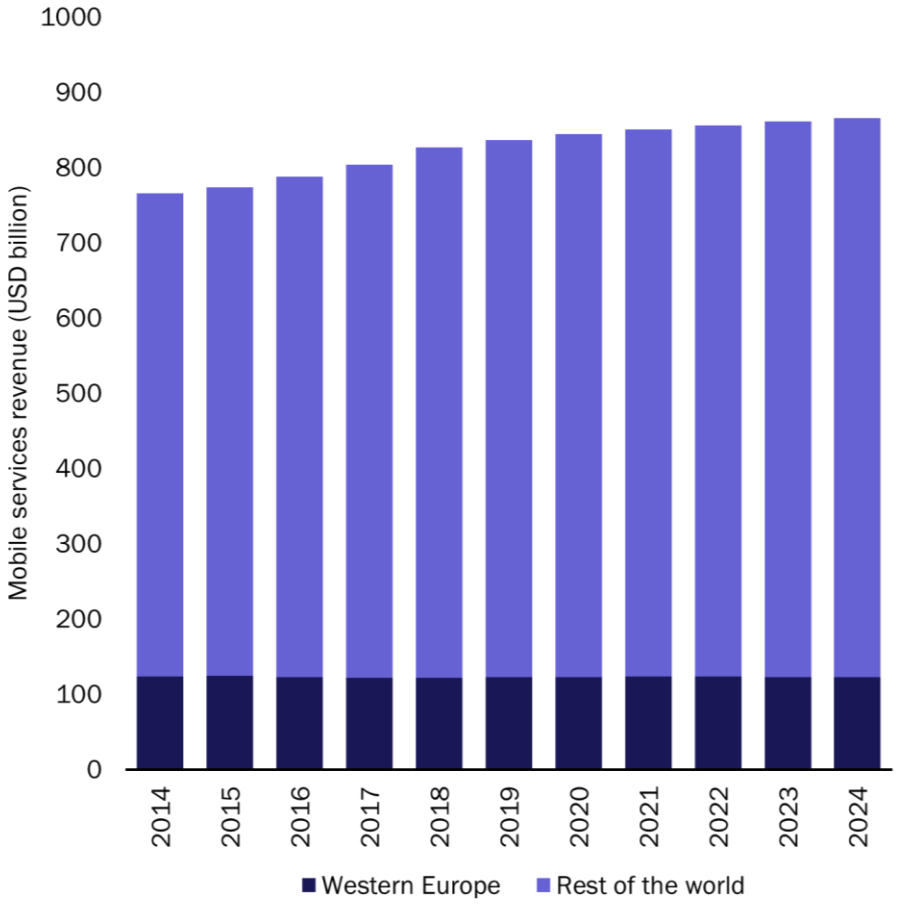
Mobile service revenue will continue to grow in all regions except for developed Asia–Pacific (DVAP), but at different speeds. Sub-Saharan Africa (SSA) will be the fastest growing region in terms of mobile service revenue, with a CAGR of 1.91%, because it is the only region that still has significant potential for total mobile user base growth. Mobile service revenue will also grow considerably in Central and Eastern Europe (CEE) and Latin America (LATAM), primarily due to increasing spending on handset data. Mobile service revenue in Western Europe (WE) and North America (NA) will stabilise during the forecast period because the saturated user bases and competitive environments will hinder growth in terms of ARPU and the number of connections.

Western Europe's share of worldwide total mobile service revenue will fall from 14.6% in 2019 to 14.1% in 2024.

The total mobile service revenue in Western Europe will be flat, growing at a CAGR of just 0.04% during the forecast period.

Most markets in WE are saturated in terms of the number of mobile connections, and many countries in the region face high levels of competition. The launch of 5G services will have a moderate impact on ARPU because 5G premium prospects will be eroded by competition, resulting in a mostly flat ARPU trend.

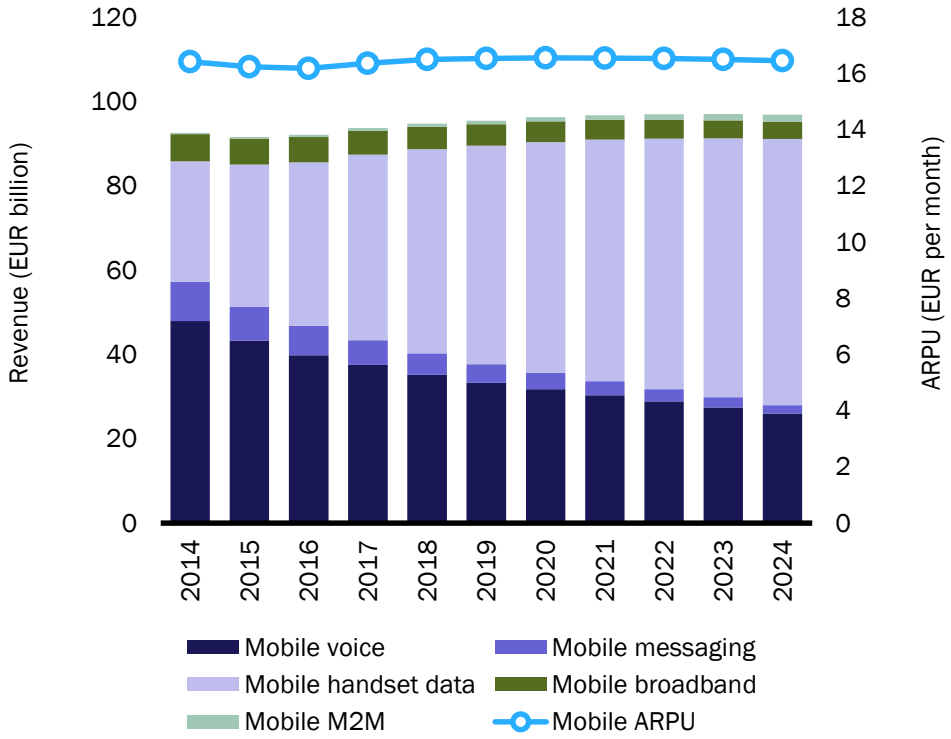
Figure 2: Mobile service revenue in WE and worldwide, USD (2018) billion



Source: Analysys Mason

Mobile revenue will remain flat due to declining revenue from legacy services and intense competition in the mobile markets in most countries in Western Europe

Figure 3: Telecoms retail revenue by mobile service type, and mobile ARPU, Western Europe, 2014–2024

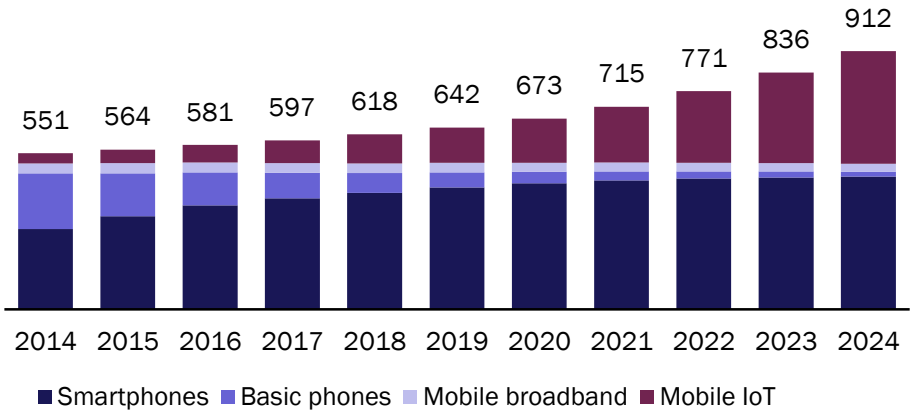


Source: Analysys Mason

Figure 4: Telecoms retail revenue and growth rate by service type, Western Europe, 2014–2024

Service type	Retail revenue (EUR billion)		CAGR	
	2018	2024	2014–2018	2018–2024
Mobile handset	88.7	91.1	0.8%	0.4%
Mobile broadband	5.35	4.14	–4.5%	–4.2%
Mobile IoT	0.74	1.68	21.2%	14.7%

Figure 5: Mobile connections by type, Western Europe (million), 2014–2024



Source: Analysys Mason

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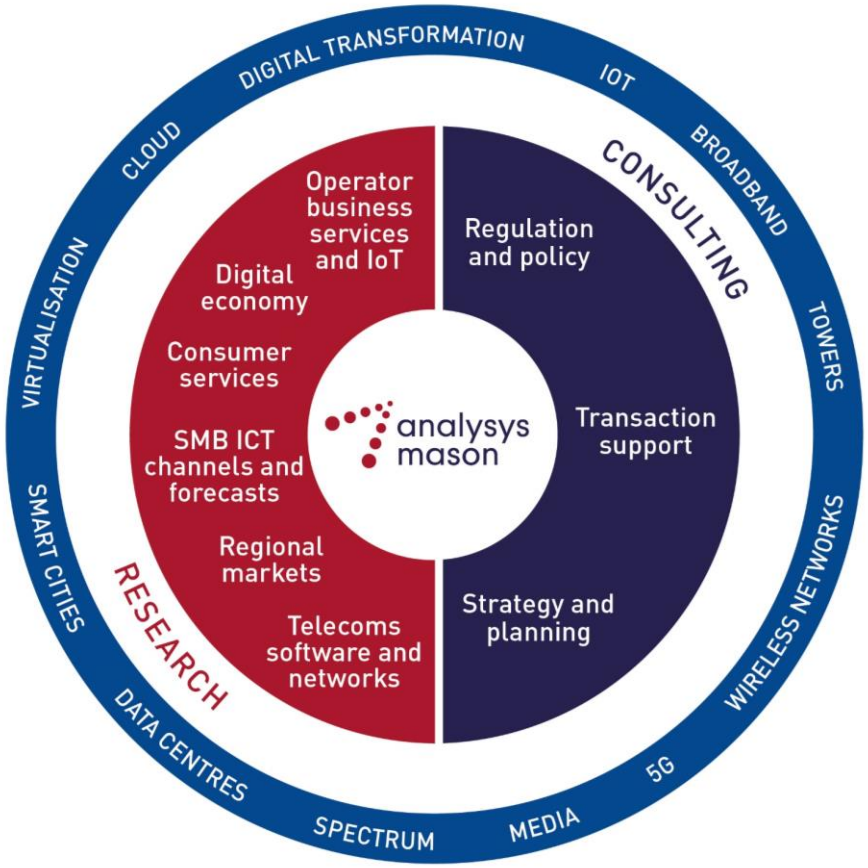
Analysys Mason's consulting services and research portfolio



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Digital Economy Strategies
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