Telecommunications Market Data Update

Q1 2023

MARKET DATA

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1. Market Monitor

In the following section we highlight some of the key trends emerging this quarter from the data we collect on the UK telecommunications sector.

Fixed voice services

- UK fixed voice service revenues totalled £1.33bn in Q1 2023; a decrease of £59m (4.3%) from the previous quarter and £118m (8.2%) year-on-year. BT's share of these revenues was 49.3%.
- The number of fixed exchange lines (including PSTN, ISDN and managed VoIP connections) fell by 667k (2.2%) during the quarter to 29.4 million. This decline is due to the growing availability and take-up of standalone broadband services and the decline of residential landlines.
- Total fixed-originated call volumes decreased by 1498 million minutes (17.1%) year on year, to 7.3 billion minutes.

Fixed broadband services

- There were 28.1 million fixed broadband lines at the end of Q1 2023, an increase of 261k (0.9%) year-on-year.
- There were 20.0 million 'other inc. FTTx' broadband connections (predominantly fibre-to-the cabinet and full fibre connections) at the end of Q1 2023, accounting for 71.1% of all lines.
- The number of ADSL lines fell by 176k (6.2%) during the quarter, while the number of cable lines increased by 25k (0.5%) and the number of 'other inc. FTTx' lines increased by 368k (1.9%).

Mobile services

- Mobile telephony services generated £3.2bn in retail revenues in Q1 2023, a £113.3 (3.7%) increase from a year previously.
- Average monthly retail revenue per subscriber was £12.17 in Q1 2023, with post-pay subscribers generating more revenue than pre-pay users (averaging £14.64 compared to £5.04 for pre-pay).
- The number of active mobile subscriptions (excluding M2M) was 86.9 million at the end of Q1 2023, up 1.6 million (1.9%) from the year before.
- Over the same period, the number of dedicated mobile broadband subscriptions grew by 168k (3.3%) to 5.2 million.
- The number of mobile-originated voice call minutes decreased by 2.4 billion (5.4%) to 42.3 billion minutes year-on-year, with calls to landlines decreasing by 11.3% to 8.4 billion minutes.
- The number of mobile messages (including SMS and MMS) saw a year-on-year decline, down 1.6 billion messages (17.1%) to 7.9 billion.

2. Fixed telecoms market data tables

Q1 2023 (January to March)

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Note: The data in these tables is the most accurate currently available. Where historical restatements have occurred, this is due to either operator restatements or improvements in methodology.

Table 1: Summary of network access & call revenues (£millions)

	All Operators	BT	Virgin Media	Other	BT share
Access & calls[1]					
2021	6,075	3,051	980	2,044	50.2%
2022	5,688	2,782	913	1,993	48.9%
2022 Q1	1,447	708	237	503	48.9%
2022 Q2	1,436	702	229	506	48.9%
2022 Q3	1,417	691	225	501	48.8%
2022 Q4	1,388	681	223	484	49.0%
2023 Q1	1,329	655	219	455	49.3%
Access[1]					
2021	5,388	2,765	910	1,713	51.3%
2022	5,148	2,570	863	1,715	49.9%
2022 Q1	1,300	649	222	430	49.9%
2022 Q2	1,300	648	216	436	49.8%
2022 Q3	1,286	641	213	432	49.8%
2022 Q4	1,262	632	212	417	50.1%
2023 Q1	1,212	612	208	392	50.5%
Calls					
2021	687	286	70	331	41.7%
2022	540	213	50	278	39.4%
2022 Q1	147	59	15	73	40.3%
2022 Q2	136	54	12	70	39.9%
2022 Q3	131	51	11	68	38.9%
2022 Q4	126	48	11	67	38.3%
2023 Q1	117	43	10	63	37.0%

Notes: Excludes VAT. [1] Revenue figures are not intended to include subscription revenues for internet access although some element may remain.

Table 2: Summary of exchange line numbers at end of quarter (000's)

	All Operators	BT	Virgin Media	Other	BT share[2]
2021	31,184	12,231	4,555	14,398	39.2%
2022	30,101	11,031	4,311	14,759	36.6%
2022 Q1	31,610	11,940	4,467	15,203	37.8%
2022 Q2	31,197	11,698	4,380	15,119	37.5%
2022 Q3	30,628	11,386	4,331	14,911	37.2%
2022 Q4	30,101	11,031	4,311	14,759	36.6%
2023 Q1	29,434	10,793	4,236	14,405	36.7%

Note: Change in exchange line numbers due to operator restatement

Table 3: Summary of call volumes (millions of minutes)[1]

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2021	40,343	15,782	4,526	20,035	39.1%
2022	32,143	12,294	3,272	16,577	38.2%
2022 Q1	8,775	3,401	948	4,426	38.8%
2022 Q2	7,941	3,039	817	4,085	38.3%
2022 Q3	7,802	2,960	761	4,081	37.9%
2022 Q4	7,625	2,894	746	3,985	38.0%
2023 Q1	7,277	2,759	691	3,827	37.9%

Table 4: Summary of call revenues by call type (£millions)

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2021	687	254	59	224	150
2022	540	192	52	167	130
2022 Q1	147	52	14	47	34
2022 Q2	136	48	13	42	33
2022 Q3	131	47	13	40	32
2022 Q4	126	44	13	38	31
2023 Q1	117	40	13	35	29

Excludes VAT. [1] Includes freephone, special services, premium rate, directory enquiries and all other call types. Figures are not intended to include subscription revenues for internet access although some element may remain.

Table 5: Summary of call volumes by call type (millions of minutes)

	All Operators	BT	Virgin Media	Other	BT share
UK geographic calls					
2021	25,512	11,224	3,223	11,065	44.0%
2022	19,206	8,429	2,244	8,533	43.9%
2022 Q1	5,314	2,348	650	2,316	44.2%
2022 Q2	4,759	2,085	561	2,113	43.8%
2022 Q3	4,646	2,022	526	2,098	43.5%
2022 Q4	4,488	1,974	507	2,007	44.0%
2023 Q1	4,231	1,861	471	1,899	44.0%
International calls					
2021	1,204	251	71	882	20.8%
2022	935	179	54	702	19.1%
2022 Q1	259	51	16	192	19.7%
2022 Q2	241	45	15	181	18.7%
2022 Q3	220	42	11	167	19.1%
2022 Q4	216	41	12	163	19.0%
2023 Q1	212	39	11	162	18.4%
Calls to mobiles					
2021	6,954	2,460	723	3,771	35.4%
2022	5,533	2,029	527	2,977	36.7%
2022 Q1	1,542	563	154	825	36.5%
2022 Q2	1,374	500	130	744	36.4%
2022 Q3	1,312	488	118	706	37.2%
2022 Q4	1,304	478	125	701	36.7%
2023 Q1	1,281	471	115	695	36.8%
Other calls[1]					
2021	6,673	1,847	509	4,317	27.7%
2022	6,469	1,657	447	4,365	25.6%
2022 Q1	1,660	439	128	1,093	26.4%
2022 Q2	1,568	409	111	1,048	26.1%
2022 Q3	1,624	408	106	1,110	25.1%
2022 Q4	1,618	401	102	1,115	24.8%
2023 Q1	1,553	388	94	1,071	25.0%

[1] Includes freephone, special services, premium rate, directory enquiries and all other call types.

Table 6: Summary of residential network access & call revenues (£millions)

	All Operators	BT	Virgin Media	Other	BT share
Access & calls[1]					
2021	4,760	2,381	942	1,437	50.0%
2022	4,520	2,215	883	1,422	49.0%
2022 Q1	1,151	562	229	360	48.8%
2022 Q2	1,141	559	221	361	49.0%
2022 Q3	1,126	551	218	357	48.9%
2022 Q4	1,102	543	216	343	49.3%
2023 Q1	1,056	524	212	319	49.7%
Access[2]					
2021	4,356	2,206	887	1,262	50.7%
2022	4,209	2,086	843	1,279	49.6%
2022 Q1	1,067	528	216	323	49.5%
2022 Q2	1,062	526	211	325	49.5%
2022 Q3	1,051	520	208	322	49.5%
2022 Q4	1,029	513	207	309	49.8%
2023 Q1	988	496	204	288	50.2%
Calls					
2021	405	175	55	175	43.2%
2022	310	129	40	142	41.4%
2022 Q1	84	34	12	38	40.6%
2022 Q2	78	33	10	35	42.0%
2022 Q3	75	31	9	35	41.4%
2022 Q4	73	31	9	34	41.6%
2023 Q1	68	28	8	32	41.2%

Excludes VAT. [1] Revenue figures are not intended to include subscription revenues for internet access although some element may remain.

Table 7: Summary of residential exchange line numbers at end of quarter (000's)

	All Operators	BT	Virgin Media	Other	BT share
2021	25,564	8,984	4,379	12,201	35.1%
2022	23,955	7,924	4,156	11,874	33.1%
2022 Q1	25,267	8,738	4,296	12,233	34.6%
2022 Q2	24,841	8,494	4,216	12,131	34.2%
2022 Q3	24,361	8,201	4,174	11,986	33.7%
2022 Q4	23,955	7,924	4,156	11,874	33.1%
2023 Q1	23,304	7,655	4,094	11,555	32.8%

Table 8: Summary of residential call volumes (millions of minutes)[1]

	All Operators	BT	Virgin Media	Other	BT share
2021	25,886	11,373	3,794	10,719	43.9%
2022	18,881	8,545	2,737	7,599	45.3%
2022 Q1	5,305	2,374	783	2,148	44.8%
2022 Q2	4,692	2,111	683	1,898	45.0%
2022 Q3	4,503	2,049	650	1,804	45.5%
2022 Q4	4,381	2,011	621	1,749	45.9%
2023 Q1	4,095	1,876	579	1,640	45.8%

Table 9: Summary of residential call revenues by call type (£millions)

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2021	405	184	38	85	98
2022	310	132	32	63	84
2022 Q1	84	36	8	17	22
2022 Q2	78	33	8	16	21
2022 Q3	75	32	8	15	20
2022 Q4	73	31	8	15	21
2023 Q1	68	28	7	13	19

Excludes VAT. [1] Includes freephone, special services, premium rate, directory enquiries and all other call types. Figures are not intended to include subscription revenues for internet access although some element may remain;

Table 10: Summary of residential call volumes by call type (millions of minutes)

	All Operators	BT	Virgin Media	Other	BT share
UK geographic calls					
2021	19,557	8,812	2,923	7,822	45.1%
2022	13,787	6,328	2,036	5,423	45.9%
2022 Q1	3,924	1,790	587	1,547	45.6%
2022 Q2	3,426	1,565	508	1,353	45.7%
2022 Q3	3,266	1,504	482	1,280	46.0%
2022 Q4	3,171	1,469	459	1,243	46.3%
2023 Q1	2,945	1,355	427	1,163	46.0%
International calls					
2021	748	195	71	482	26.1%
2022	526	135	52	339	25.7%
2022 Q1	149	39	15	95	26.1%
2022 Q2	135	34	14	87	25.2%
2022 Q3	121	31	11	79	25.7%
2022 Q4	120	31	12	77	25.7%
2023 Q1	117	29	11	77	24.7%
Calls to mobiles					
2021	2,538	986	358	1,194	38.8%
2022	2,041	841	278	922	41.2%
2022 Q1	553	222	77	254	40.1%
2022 Q2	504	206	68	230	40.9%
2022 Q3	495	205	67	223	41.5%
2022 Q4	495	208	66	221	42.1%
2023 Q1	471	198	62	211	42.1%
Other calls[1]					
2021	3,043	1,380	442	1,221	45.4%
2022	2,527	1,241	371	915	49.1%
2022 Q1	680	323	104	253	47.5%
2022 Q2	630	306	93	231	48.6%
2022 Q3	622	309	90	223	49.7%
2022 Q4	595	303	84	208	50.9%
2023 Q1	562	294	79	189	52.3%

[1] Includes freephone, special services, premium rate, directory enquiries and all other call types.

Table 11: Summary of business network access & call revenues (£millions)

	All Operators	BT	Virgin Media	Other	BT share
Access & Calls[1]					
2021	1,312	668	38	607	50.9%
2022	1,166	565	29	572	48.4%
2022 Q1	296	146	8	142	49.3%
2022 Q2	295	142	7	145	48.3%
2022 Q3	289	139	7	144	48.1%
2022 Q4	285	137	7	141	48.0%
2023 Q1	273	131	6	136	47.8%
Access[1]					
2021	1,032	559	22	451	54.1%
2022	939	483	20	435	51.5%
2022 Q1	233	121	5	107	52.0%
2022 Q2	238	122	5	111	51.3%
2022 Q3	235	121	5	110	51.3%
2022 Q4	233	120	5	108	51.5%
2023 Q1	224	116	4	104	51.6%
Calls					
2021	280	109	15	156	39.0%
2022	227	81	9	136	35.7%
2022 Q1	63	25	3	35	39.3%
2022 Q2	57	20	2	34	35.9%
2022 Q3	54	19	2	34	34.3%
2022 Q4	52	17	2	33	32.8%
2023 Q1	49	15	2	32	30.5%

Excludes VAT. [1] Revenue figures are not intended to include subscription revenues for internet access although some element may remain.

Table 12: Summary of business exchange line numbers at end of quarter (000's)

	All Operators	BT	Virgin Media	Other	BT share
2021	5,619	3,247	176	2,196	57.8%
2022	6,145	3,107	154	2,885	50.6%
2022 Q1	6,341	3,202	171	2,968	50.5%
2022 Q2	6,354	3,205	164	2,986	50.4%
2022 Q3	6,267	3,185	157	2,925	50.8%
2022 Q4	6,145	3,107	154	2,885	50.6%
2023 Q1	6,130	3,138	142	2,850	51.2%

Note: Change in exchange line numbers due to operator restatement

Table 13: Summary of business call volumes (millions of minutes)[1]

	All Operators	BT	Virgin Media	Other	BT share
2021	14,453	4,405	732	9,316	30.5%
2022	13,267	3,745	535	8,987	28.2%
2022 Q1	3,470	1,026	165	2,279	29.6%
2022 Q2	3,249	927	134	2,188	28.5%
2022 Q3	3,301	910	111	2,280	27.6%
2022 Q4	3,248	882	125	2,241	27.2%
2023 Q1	3,188	882	112	2,194	27.7%

Table 14: Summary of business call revenues by call type (£millions)

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2021	280	68	21	140	52
2022	227	58	20	104	51
2022 Q1	62	14	5	30	14
2022 Q2	56	13	5	26	13
2022 Q3	53	13	5	24	12
2022 Q4	50	12	5	23	12
2023 Q1	49	11	5	22	12

Excludes VAT. [1] Includes freephone, special services, premium rate, directory enquiries and all other call types. Figures are not intended to include subscription revenues for internet access although some element may remain.

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[1]

Table 15: Summary of business call volumes by call type (millions of minutes)

	All Operators	BT	Virgin Media	Other	BT share
UK geographic calls					
2021	5,955	2,412	300	3,243	40.5%
2022	5,418	2,101	208	3,109	38.8%
2022 Q1	1,389	558	63	768	40.2%
2022 Q2	1,332	520	53	759	39.0%
2022 Q3	1,380	518	44	818	37.5%
2022 Q4	1,316	505	48	763	38.4%
2023 Q1	1,284	506	44	734	39.4%
International calls					
2021	456	56	0	400	12.3%
2022	412	44	2	366	10.7%
2022 Q1	109	12	1	96	11.0%
2022 Q2	107	11	1	95	10.3%
2022 Q3	101	11	0	90	10.9%
2022 Q4	95	10	0	85	10.5%
2023 Q1	94	10	0	84	10.6%
Calls to mobiles					
2021	4,416	1,474	365	2,577	33.4%
2022	3,493	1,188	249	2,056	34.0%
2022 Q1	992	341	77	574	34.4%
2022 Q2	871	294	62	515	33.8%
2022 Q3	823	283	51	489	34.4%
2022 Q4	809	270	59	480	33.4%
2023 Q1	810	273	53	484	33.7%
Other calls[1]					
2021	3,626	463	67	3,096	12.8%
2022	3,945	412	76	3,455	10.4%
2022 Q1	980	115	24	841	11.7%
2022 Q2	939	102	18	819	10.9%
2022 Q3	998	98	16	884	9.8%
2022 Q4	1,028	97	18	913	9.4%
2023 Q1	1,000	93	15	892	9.3%

[1] Includes freephone, special services, premium rate, directory enquiries and all other call types.

Table 16: Summary of residential and small business broadband connections at end of quarter (000's)

	Total	ADSL	Cable	Other (inc. FTTx)	BT retail share[1]
2021	27,821	3,739	5,355	18,726	33.5%
2022	27,920	2,833	5,440	19,647	32.4%
2022 Q1	27,877	3,362	5,383	19,132	32.8%
2022 Q2	28,025	3,159	5,399	19,468	32.5%
2022 Q3	28,015	2,950	5,412	19,653	32.4%
2022 Q4	27,920	2,833	5,440	19,647	32.4%
2023 Q1	28,138	2,657	5,465	20,015	32.1%

Note: Other (inc FTTx) figures have been restated to reflect more accurate data, however, they are likely to be understated as Ofcom does not collect data from all UK altnet full-fibre providers. We are currently engaging with industry to improve the coverage of this data.

3. Mobile telecoms market data tables

Q1 2023 (January to March)

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Note: The data in these tables is the most accurate currently available. Where historical restatements have occurred, this is due to either operator restatements or improvements in methodology.

Table 1: Estimated retail revenues generated by mobile telephony (£millions)

	Total	Access and bundled svcs	UK fixed calls	On-net mobile calls	Off-net mobile calls	Int'l calls	Other calls	SMS and MMS	Data services
2021	12,283	10,142	67	65	90	140	95	440	1,244
2022	12,907	10,592	55	60	69	130	145	440	1,415
2022 Q1	3057	2523	14	15	18	33	29	109	316
2022 Q2	3220	2654	14	14	17	33	35	106	348
2022 Q3	3365	2759	14	15	18	33	42	107	377
2022 Q4	3264	2656	13	15	17	32	39	118	374
2023 Q1	3171	2622	12	14	15	29	35	99	345

Note: From 2018, bundled revenues are reported according to the new IFRS15 accounting standard, and they do not include any device revenues.

Table 2: Call and message volumes by call type (billions of minutes/billions of messages/PB)

	All calls	UK fixed calls	On-net mobile calls	Off-net mobile calls	Int'l calls	Calls when roaming	Other calls	SMS & MMS messages	Data
2021	186.47	39.88	54.19	82.59	2.27	1.52	6.03	40.86	5751
2022	170.12	35.05	49.93	75.91	1.76	1.80	5.66	36.44	7268
2022 Q1	44.72	9.42	13.13	19.88	0.50	0.35	1.43	9.52	1604
2022 Q2	41.90	8.57	12.35	18.66	0.45	0.46	1.41	9.04	1743
2022 Q3	41.51	8.53	12.07	18.45	0.41	0.61	1.44	9.10	1923
2022 Q4	42.00	8.52	12.37	18.93	0.40	0.39	1.39	8.78	1994
2023 Q1	42.29	8.36	12.36	19.33	0.41	0.36	1.47	7.9	2005

Note: Includes estimates where Ofcom does not receive data from providers.

Table 3: Subscriber numbers by type (millions)

	Total subs at end of period	Post-pay subs at end of period	Pre-pay subs at end of period	Net change during period	Proportion post-pay	Mobile broadband subs at end of period
2021	85.01	63.54	21.47	1.21	74.7%	5.24
2022	86.84	64.44	22.40	1.83	74.2%	5.28
2022 Q1	85.25	63.96	21.29	0.24	75.03%	5.04
2022 Q2	87.88	66.07	21.81	2.63	75.18%	5.23
2022 Q3	87.49	64.66	22.83	-0.38	73.91%	5.25
2022 Q4	86.84	64.44	22.40	-0.66	74.20%	5.28
2023 Q1	86.86	64.54	22.32	0.02	74.31%	5.20

Note: Includes estimates where Ofcom does not receive data from providers; excludes M2M connections.

Table 4: Average monthly retail revenue per subscriber (£ per month)

	All subscribers	Post-pay contract	Pre-pay
2021	12.18	14.63	5.15
2022	12.41	14.86	5.21
2022 Q1	11.97	14.28	5.08
2022 Q2	12.40	14.78	5.22
2022 Q3	12.79	15.36	5.27
2022 Q4	12.48	15.01	5.28
2023 Q1	12.17	14.64	5.04

Table 5: Interconnection call volumes (billions of minutes)

	All operators
2021	63.65
2022	62.43
2022 Q1	15.24
2022 Q2	14.91
2022 Q3	16.19
2022 Q4	16.09
2023 Q1	16.98

Note: Shows the number of call minutes terminating on mobile networks which originate on other networks.