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Telecommunications Market Data Update

Q1 2020

MARKET DATA

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Contents

Section

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 £1.8bn in Q1 2020, a quarter-on-quarter decrease of £78m (4.2%).
- Access and add-on call bundles generated £1.6bn in revenue in Q1 2020, accounting for 86.8% of total fixed voice revenues.
- Fixed-originated call volumes totalled 10.3 billion minutes in Q1 2020.
- There were 32.4 million fixed exchange lines (including PSTN/emulated PSTN lines, ISDN channels and managed VoIP connections at the end of Q1 2020, a fall of 25k (0.1%) during the quarter.

Fixed broadband services

- There were 27.0 million fixed broadband lines at the end of Q1 2020, a year-on-year increase of 266k (1.0%).
- Of these lines, 15.1 million (56.2%) were classed as “Other inc. FTTx” (predominantly fibre broadband connections) a year-on-year increase of 2.6 million (21.0%) compared to Q4 2018.

Mobile services

- Mobile telephony services generated £3.2bn in retail revenues in Q1 2020, a £141m (4.2%) decrease from a year previously.
- Average revenue per subscriber in Q1 2020 was £12.72, with post-pay subscribers generating more revenue than pre-pay subscribers (at £16.29 and £5.50 respectively).
- The number of active mobile subscriptions (excluding M2M) was 83.6million at the end of Q1 2020, down 0.3 million (0.4%) from a year previously. Over the same period, the number of dedicated mobile broadband subscriptions slightly decreased by 1.6%, to 4.4 million.
- The number of outgoing mobile voice calls minutes was 44.3 billion in Q1 2020, up 4.4 billion from a year previously.
- The number of mobile messages (including SMS and MMS) continued to decline over the same period, down 2.1 billion (12.8%) to 14.6bn.
- Data usage continued to increase rapidly, up 257 PB (37%) to 949 PB year-on-year.

2. Fixed telecoms market data tables

Q1 2020 (January to March 2020)

Note: The data in these tables are 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[2]	Virgin Media	Other	BT share[2]
Access & calls[1]					
2018	7,576	3,301	769	3,505	43.6%
2019	7,171	3,030	842	3,300	42.2%
2019 Q1	1,800	758	192	849	42.1%
2019 Q2	1,772	731	193	848	41.3%
2019 Q3	1,735	718	192	825	41.4%
2019 Q4	1,865	822	265	777	44.1%
2020 Q1	1,787	877	267	643	49.1%
Access[1]					
2018	5,924	2,302	648	2,974	38.9%
2019	5,852	2,294	746	2,855	39.2%
2019 Q1	1,437	540	168	730	37.5%
2019 Q2	1,430	526	169	735	36.8%
2019 Q3	1,395	520	167	709	37.2%
2019 Q4	1,633	709	242	681	43.4%
2020 Q1	1,550	758	243	550	48.9%
Calls					
2018	1,652	999	122	532	60.5%
2019	1,276	736	95	445	57.7%
2019 Q1	362	219	24	120	60.3%
2019 Q2	342	206	24	113	60.1%
2019 Q3	340	199	24	116	58.5%
2019 Q4	232	113	23	96	48.6%
2020 Q1	237	119	25	93	50.2%

Notes: Excludes VAT. [1] Revenue figures are not intended to include subscription revenues for internet access although some element may remain. [2] The step change in BT's calls and access revenues in 2019 Q4 is due to a reallocation of revenues; [2] includes EE from 2017 Q4.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	31,487	12,491	4,881	14,114	39.7%
2019	32,406	13,188	4,802	14,416	40.7%
2019 Q1	31,369	12,313	4,907	14,149	39.3%
2019 Q2	31,386	12,213	4,949	14,225	38.9%
2019 Q3	31,264	12,098	4,950	14,216	38.7%
2019 Q4	32,406	13,188	4,802	14,416	40.7%
2020 Q1	32,382	13,148	4,763	14,471	40.6%

Note: the increase in exchange lines in 2019 Q4 is due to managed VoIP connections being better-captured in the data.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	47,019	19,605	6,285	21,129	41.7%
2019	38,862	16,328	4,954	17,580	42.0%
2019 Q1	10,301	4,397	1,307	4,597	42.7%
2019 Q2	9,634	4,050	1,220	4,364	42.0%
2019 Q3	9,536	3,997	1,253	4,286	41.9%
2019 Q4	9,392	3,884	1,174	4,334	41.4%
2020 Q1	10,263	4,482	1,348	4,433	43.7%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2018	1,652	469	128	378	677
2019	1,276	379	96	321	481
2019 Q1	362	106	28	82	147
2019 Q2	342	94	23	81	144
2019 Q3	340	94	21	81	145
2019 Q4	232	85	24	77	46
2020 Q1	237	91	24	79	42

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[2]	Virgin Media	Other	BT share[2]
UK geographic calls					
2018	31,194	13,323	4,756	13,115	42.7%
2019	26,028	11,370	3,735	10,923	43.7%
2018 Q4	6,883	3,040	1,018	2,825	44.2%
2019 Q1	6,438	2,794	943	2,701	43.4%
2019 Q2	6,354	2,751	958	2,645	43.3%
2019 Q3	6,353	2,785	816	2,752	43.8%
2019 Q4	7,079	3,291	958	2,830	46.5%
International calls					
2018	1,994	496	145	1,353	24.9%
2019	1,585	370	114	1,101	23.4%
2019 Q1	417	103	31	283	24.7%
2019 Q2	392	94	28	270	24.0%
2019 Q3	364	88	28	248	24.2%
2019 Q4	412	85	27	300	20.6%
2020 Q1	411	91	27	293	22.1%
Calls to mobiles					
2018	5,732	2,078	707	2,947	36.3%
2019	5,102	1,821	631	2,650	35.7%
2019 Q1	1,319	478	152	689	36.2%
2019 Q2	1,296	455	161	680	35.1%
2019 Q3	1,301	451	168	682	34.7%
2019 Q4	1,185	437	150	598	36.9%
2020 Q1	1,291	514	172	605	39.8%
Other calls[1]					
2018	8,099	3,708	677	3,714	45.8%
2019	6,147	2,767	474	2,906	45.0%
2019 Q1	1,681	776	106	799	46.2%
2019 Q2	1,508	707	88	713	46.9%
2019 Q3	1,517	707	99	711	46.6%
2019 Q4	1,442	577	181	684	40.0%
2020 Q1	1,481	586	191	704	39.6%

[1] *Includes freephone, special services, premium rate, directory enquiries and all other call types.*
[2] *Includes EE from 2017 Q4.*

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
Access & calls[1]					
2018	5,733	2,315	716	2,702	40.4%
2019	5,562	2,163	799	2,601	38.9%
2019 Q1	1,396	542	182	672	38.8%
2019 Q2	1,377	520	182	675	37.7%
2019 Q3	1,344	514	181	649	38.3%
2019 Q4	1,446	586	255	605	40.6%
2020 Q1	1,383	652	256	475	47.1%
Access[2]					
2018	4,666	1,585	618	2,462	34.0%
2019	4,745	1,627	721	2,397	34.3%
2019 Q1	1,159	380	162	617	32.8%
2019 Q2	1,153	368	163	623	31.9%
2019 Q3	1,124	366	161	597	32.5%
2019 Q4	1,309	514	236	559	39.3%
2020 Q1	1,237	572	237	428	46.3%
Calls					
2018	1,067	730	98	239	68.4%
2019	817	536	78	204	65.5%
2019 Q1	237	163	20	54	68.6%
2019 Q2	224	152	19	52	67.9%
2019 Q3	220	149	20	51	67.7%
2019 Q4	136	72	18	46	52.9%
2020 Q1	146	79	20	47	54.2%

Excludes VAT. [1] Revenue figures are not intended to include subscription revenues for internet access although some element may remain. [2] The step change in BT's calls and access revenues in 2019 Q4 is due to a reallocation of revenues. [2] Includes EE from 2017 Q4.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	26,135	9,985	4,523	11,627	38.2%
2019	26,239	9,682	4,568	11,989	36.9%
2019 Q1	26,164	9,838	4,569	11,757	37.6%
2019 Q2	26,218	9,775	4,607	11,836	37.3%
2019 Q3	26,245	9,729	4,611	11,904	37.1%
2019 Q4	26,239	9,682	4,568	11,989	36.9%
2020 Q1	26,249	9,599	4,543	12,107	36.6%

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	32,065	13,857	5,384	12,824	43.2%
2019	25,740	11,188	4,246	10,306	43.5%
2019 Q1	6,933	3,033	1,158	2,742	43.8%
2019 Q2	6,415	2,760	1,045	2,610	43.0%
2019 Q3	6,347	2,723	1,082	2,542	42.9%
2019 Q4	6,045	2,672	961	2,412	44.2%
2020 Q1	7,007	3,247	1,130	2,630	46.3%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2018	1,067	321	77	203	466
2019	817	260	53	171	334
2019 Q1	237	74	17	44	102
2019 Q2	224	64	13	43	103
2019 Q3	220	64	11	43	101
2019 Q4	136	57	12	40	27
2020 Q1	146	65	13	42	26

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; [2] Includes EE from 2017 Q4.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
UK geographic calls					
2018	23,164	10,427	4,268	8,469	45.0%
2019	18,871	8,598	3,375	6,898	45.6%
2019 Q1	5,082	2,339	941	1,802	46.0%
2019 Q2	4,699	2,124	852	1,723	45.2%
2019 Q3	4,622	2,078	871	1,673	45.0%
2019 Q4	4,468	2,057	711	1,700	46.0%
2020 Q1	5,298	2,553	854	1,891	48.2%
International calls					
2018	1,315	328	131	856	25.0%
2019	986	248	105	633	25.2%
2019 Q1	275	70	29	176	25.5%
2019 Q2	252	63	26	163	25.0%
2019 Q3	234	58	26	150	24.8%
2019 Q4	225	57	24	144	25.3%
2020 Q1	236	65	25	146	27.6%
Calls to mobiles					
2018	2,462	860	414	1,188	34.9%
2019	2,063	674	369	1,020	32.7%
2019 Q1	528	175	96	257	33.2%
2019 Q2	520	168	93	259	32.3%
2019 Q3	525	168	99	258	32.0%
2019 Q4	491	163	81	247	33.2%
2020 Q1	573	210	95	268	36.6%
Other calls[1]					
2018	5,125	2,242	571	2,312	43.7%
2019	3,820	1,668	397	1,755	43.7%
2019 Q1	1,048	449	92	507	42.8%
2019 Q2	944	405	74	465	42.9%
2019 Q3	967	419	86	462	43.3%
2019 Q4	861	395	145	321	45.9%
2020 Q1	899	419	156	324	46.6%

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

[2] *Includes EE from 2017 Q4.*

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
Access & Calls[1]					
2018	1,835	977	54	804	53.3%
2019	1,602	860	43	699	53.7%
2019 Q1	402	214	11	178	53.3%
2019 Q2	393	210	11	173	53.3%
2019 Q3	390	202	11	177	51.9%
2019 Q4	417	234	11	173	56.1%
2020 Q1	403	224	11	168	55.6%
Access[1]					
2018	1,258	717	29	512	57.0%
2019	1,150	667	25	458	58.0%
2019 Q1	279	160	7	112	57.4%
2019 Q2	276	158	6	112	57.1%
2019 Q3	272	154	6	111	56.7%
2019 Q4	323	195	6	123	60.3%
2020 Q1	313	185	6	122	59.1%
Calls					
2018	577	261	24	292	45.2%
2019	452	193	18	241	42.7%
2019 Q1	124	54	4	65	43.9%
2019 Q2	116	52	4	60	44.4%
2019 Q3	118	48	5	65	40.8%
2019 Q4	94	39	5	50	41.5%
2020 Q1	89	38	5	46	43.1%

Excludes VAT. [1] Revenue figures are not intended to include subscription revenues for internet access although some element may remain. [2] The step change in BT's calls and access revenues in 2019 Q4 is due to a reallocation of revenues. [2] Includes EE from 2017 Q4.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	5,352	2,506	359	2,487	46.8%
2019	6,168	3,507	234	2,427	56.9%
2019 Q1	5,205	2,475	338	2,392	47.6%
2019 Q2	5,169	2,438	343	2,388	47.2%
2019 Q3	5,019	2,369	339	2,312	47.2%
2019 Q4	6,168	3,507	234	2,427	56.9%
2020 Q1	6,133	3,549	220	2,365	57.9%

Note: the increase in exchange lines in 2019 Q4 is due to managed VoIP connections being better-captured in the data.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	14,940	5,735	901	8,304	38.4%
2019	13,102	5,131	706	7,265	39.2%
2019 Q1	3,366	1,362	149	1,855	40.5%
2019 Q2	3,215	1,287	175	1,753	40.0%
2019 Q3	3,185	1,272	169	1,744	39.9%
2019 Q4	3,336	1,210	213	1,913	36.3%
2020 Q1	3,251	1,233	218	1,800	37.9%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2018	577	148	51	175	203
2019	452	119	43	150	140
2019 Q1	124	31	11	38	43
2019 Q2	116	30	10	38	39
2019 Q3	118	29	10	37	42
2019 Q4	94	28	12	37	17
2020 Q1	89	26	11	37	15

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. [2] Includes EE from 2017 Q4.

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
UK geographic calls					
2018	8,029	2,896	488	4,645	36.1%
2019	7,157	2,772	360	4,025	38.7%
2019 Q1	1,801	701	77	1,023	38.9%
2019 Q2	1,739	670	91	978	38.5%
2019 Q3	1,732	673	87	972	38.9%
2019 Q4	1,885	728	105	1,052	38.6%
2020 Q1	1,756	738	104	914	42.0%
International calls					
2018	680	168	14	498	24.7%
2019	598	122	9	467	20.4%
2019 Q1	143	33	2	108	23.1%
2019 Q2	139	31	2	106	22.2%
2019 Q3	130	30	2	98	23.1%
2019 Q4	186	28	3	155	15.1%
2020 Q1	175	26	2	147	14.8%
Calls to mobile					
2018	3,270	1,218	293	1,759	37.2%
2019	3,036	1,148	262	1,626	37.8%
2019 Q1	791	303	56	432	38.3%
2019 Q2	776	287	68	421	37.0%
2019 Q3	777	283	69	425	36.4%
2019 Q4	692	275	69	348	39.8%
2020 Q1	718	304	77	337	42.4%
Other calls[1]					
2018	2,960	1,453	106	1,401	49.1%
2019	2,311	1,089	75	1,147	47.1%
2019 Q1	631	325	14	292	51.5%
2019 Q2	561	299	14	248	53.3%
2019 Q3	546	286	11	249	52.4%
2019 Q4	574	179	36	359	31.2%
2020 Q1	602	165	35	402	27.4%

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

[2] *Includes EE from 2017 Q4.*

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]
2018	26,586	9,550	5,225	11,810	34.6%
2019	26,787	7,277	5,080	14,430	34.1%
2019 Q1	26,695	8,933	5,250	12,512	34.4%
2019 Q2	26,732	8,438	5,273	13,021	34.2%
2019 Q3	26,805	7,873	5,277	13,656	34.1%
2019 Q4	26,787	7,277	5,080	14,430	34.1%
2020 Q1	26,961	6,730	5,090	15,142	33.7%

[1] *Includes EE from 2017 Q4.*

3. Mobile telecoms market data tables

Q1 2020 (January to March 2020)

Note: The data in these tables are 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
2018	13,794	10,193	208	224	243	377	334	607	1,609
2019	13,431	10,456	167	205	213	273	216	567	1,334
2019 Q1	3,349	2,565	44	51	57	81	56	143	351
2019 Q2	3,367	2,618	43	52	54	72	53	138	337
2019 Q3	3,387	2,641	42	52	53	61	54	139	345
2019 Q4	3,328	2,632	37	50	49	59	54	146	301
2020 Q1	3,208	2,553	36	49	49	61	51	136	273

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/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
2018	160.73	34.58	47.74	66.13	3.97	2.81	5.51	74.11	2450.99
2019	161.11	33.90	47.98	67.55	3.47	2.87	5.32	65.07	3291.27
2019 Q1	39.95	8.58	11.89	16.68	0.89	0.60	1.31	16.70	692.60
2019 Q2	40.06	8.25	11.97	16.89	0.90	0.77	1.28	16.50	787.37
2019 Q3	39.64	8.32	11.65	16.49	0.84	1.00	1.34	16.03	882.16
2019 Q4	41.45	8.76	12.47	17.50	0.84	0.50	1.39	15.85	929.15
2020 Q1	44.33	9.61	13.02	18.75	0.85	0.51	1.58	14.56	949.23

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 b'band subs at end of period
2018	83.98	57.94	26.04	-0.12	69.0%	4.51
2019	84.61	59.73	24.88	0.63	70.6%	4.50
2019 Q1	83.32	58.03	25.30	-0.66	69.6%	4.48
2019 Q2	83.67	58.06	25.61	0.35	69.4%	4.46
2019 Q3	84.28	58.46	25.82	0.61	69.4%	4.51
2019 Q4	84.61	59.73	24.88	0.33	70.6%	4.50
2020 Q1	83.57	60.12	23.45	-1.04	71.9%	4.41

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
2017	13.69	17.82	4.92
2018	13.25	16.85	4.96
2019 Q1	13.35	17.15	4.76
2019 Q2	13.44	17.17	4.93
2019 Q3	13.44	17.22	5.20
2019 Q4	13.14	16.52	4.97
2020 Q1	12.72	16.29	5.50

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

Table 5: Interconnection call volumes (billions of minutes)

	All operators
2018	58.67
2019	60.29
2019 Q1	15.18
2019 Q2	15.25
2019 Q3	14.85
2019 Q4	15.01
2020 Q1	16.26

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