CMR 2011 telecoms slides

July 2011

UK Communications Market 2011: telecoms charts

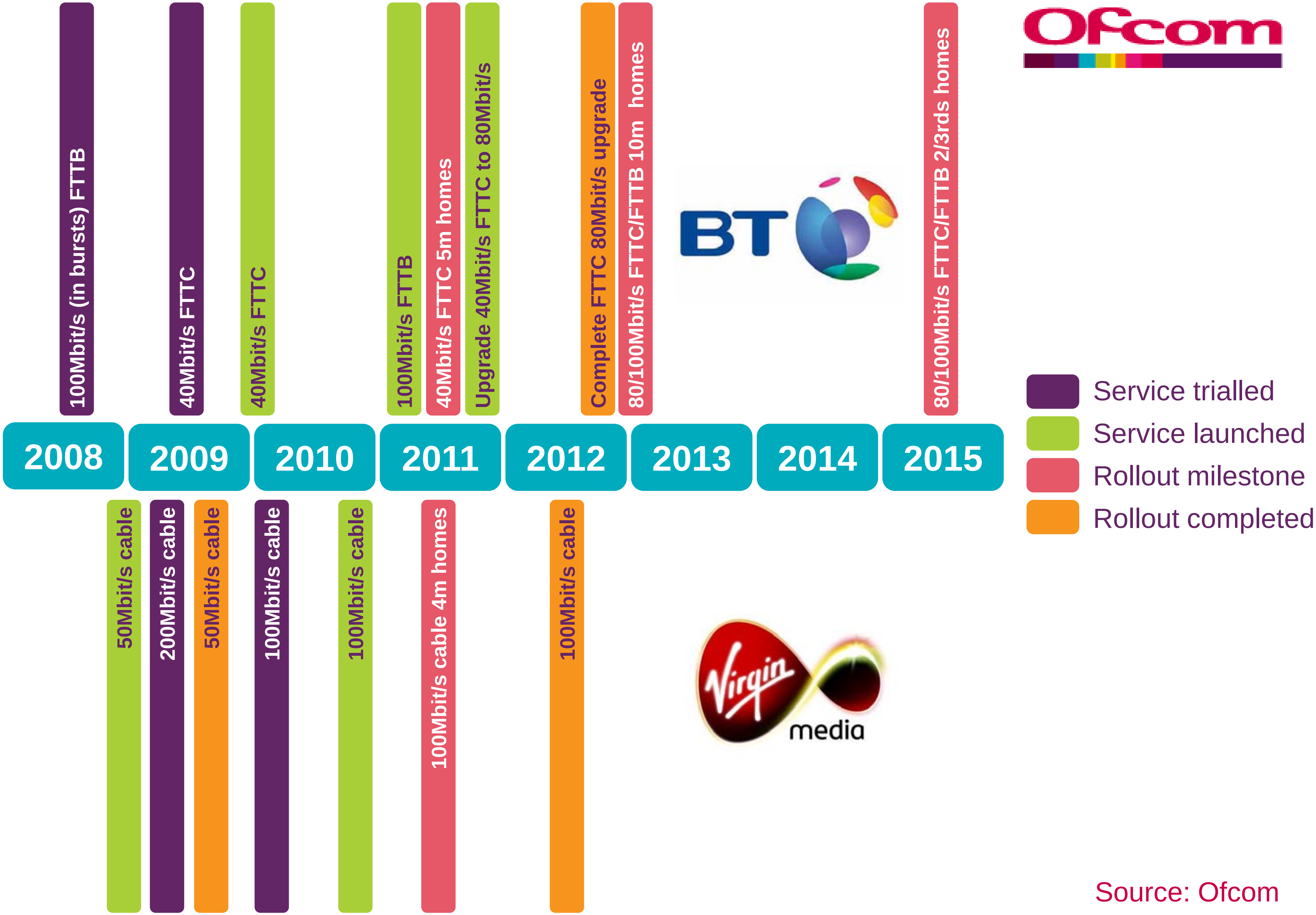
- Key market developments
- The telecoms industry
- The telecoms user

Figure 5.1
UK telecoms industry key statistics

	2005	2006	2007	2008	2009	2010
Operator-reported retail revenue (£bn)	29.6	30.7	31.7	32.0	31.1	30.8
Operator-reported wholesale revenue (£bn)	9.6	10.1	10.4	10.5	10.2	9.7
Total operator-reported revenue (£bn)	39.2	40.8	42.1	42.5	41.2	40.5
Fixed voice call minutes (billions)	163	155	150	141	132	129
Mobile voice call minutes (billions)	71	82	100	111	118	125
Average monthly household telecoms spend (£)	75.56	73.77	70.92	68.57	65.92	63.10
Fixed access and call revenues (£bn)	10.6	10.5	10.3	10.0	9.6	9.3
BT share of fixed call volumes (%)	50.7	46.9	46.5	43.7	40.1	36.5
Proportion of premises connected to an unbundled exchange (%)	39.6	66.6	80.2	84.2	84.5	89.0
Fixed lines (millions)	34.9	34.5	34.5	34.2	34.2	33.4
Mobile retail revenues (£bn)	13.1	13.9	15.0	15.4	14.9	15.1
Active mobile connections per 100 population	108.8	115.2	120.5	124.5	129.5	130.1
Active 3G mobile connections per 100 population	7.6	13.1	21.3	31.6	43.5	53.2
Fixed internet revenues (£bn)	2.1	2.5	2.8	3.2	3.2	3.3
Fixed internet connections per 100 population	27.4	28.1	29.8	30.1	31.0	32.9
Fixed broadband connections per 100 population	16.4	21.4	25.5	28.0	29.5	31.4

Rollout of super-fast broadband services

Figure 5.2 UK super-fast broadband rollout timeline



Source: Ofcom

Figure 5.3

Comparison of broadband costs

	Virgin Media ‘up to’ 10Mbit/s cable	BT ‘up to’ 20Mbit/s ADSL	Virgin Media ‘up to’ 30Mbit/s cable	BT ‘up to’ 40Mbit/s FTTC	Virgin Media ‘up to’ 50Mbit/s cable	Virgin Media ‘up to’ 100Mbit/s cable
‘Up to’ upload speed	1Mbit/s	1Mbit/s	3Mbit/s	2Mbit/s	5Mbit/s	10Mbit/s
Data cap	Unlimited	10GB	Unlimited	40GB	Unlimited	Unlimited
Standalone monthly cost	£21.00	n/a	£28.50	n/a	£35.00	£45.00
Monthly cost when bundled with landline (excluding line rental)	£13.50	£13.00	£18.50	£18.00	£25.00	£35.00
Average download speed, May 2011	9.5Mbit/s	8.2Mbit/s	31.0Mbit/s	33.8Mbit/s	48.4Mbit/s	No data

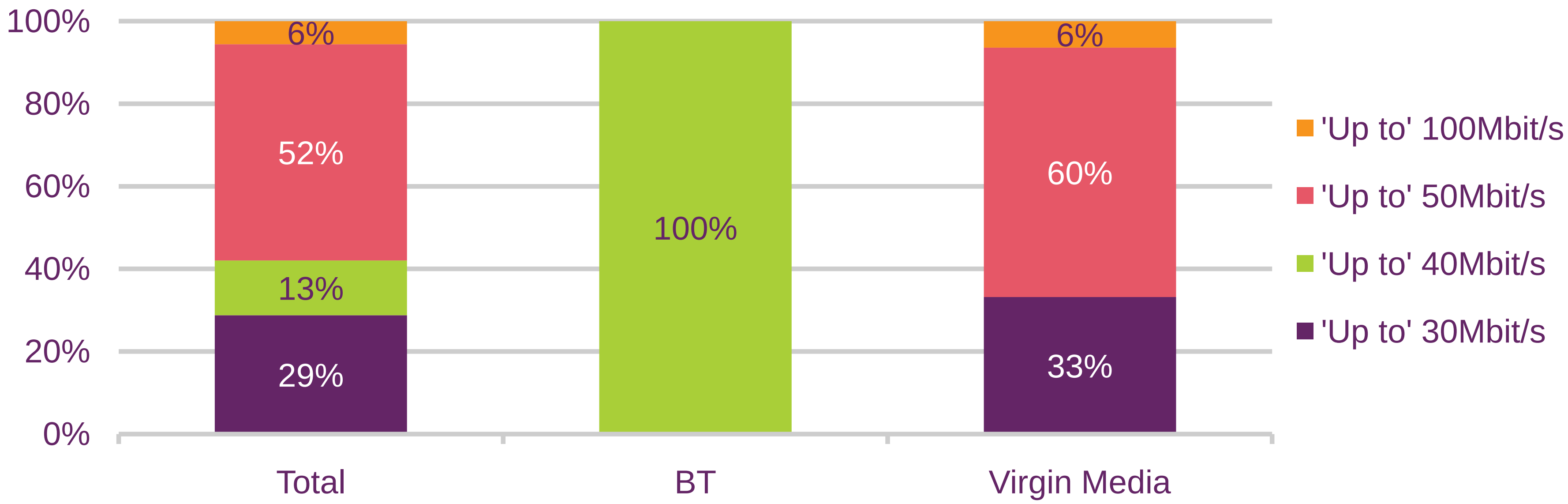
Source: Ofcom / PurePricing Broadband Pricing Factbook, June 2011
Note: BT also offer a more expensive FTTC service with upload speeds of ‘up to’ 10Mbit/s and unlimited monthly usage which is available on a standalone basis

The purchasing and usage patterns among super-fast broadband users

Figure 5.4

Headline download speed, by provider

Q1 – What is the maximum download speed you have been told you would get from your home broadband service?

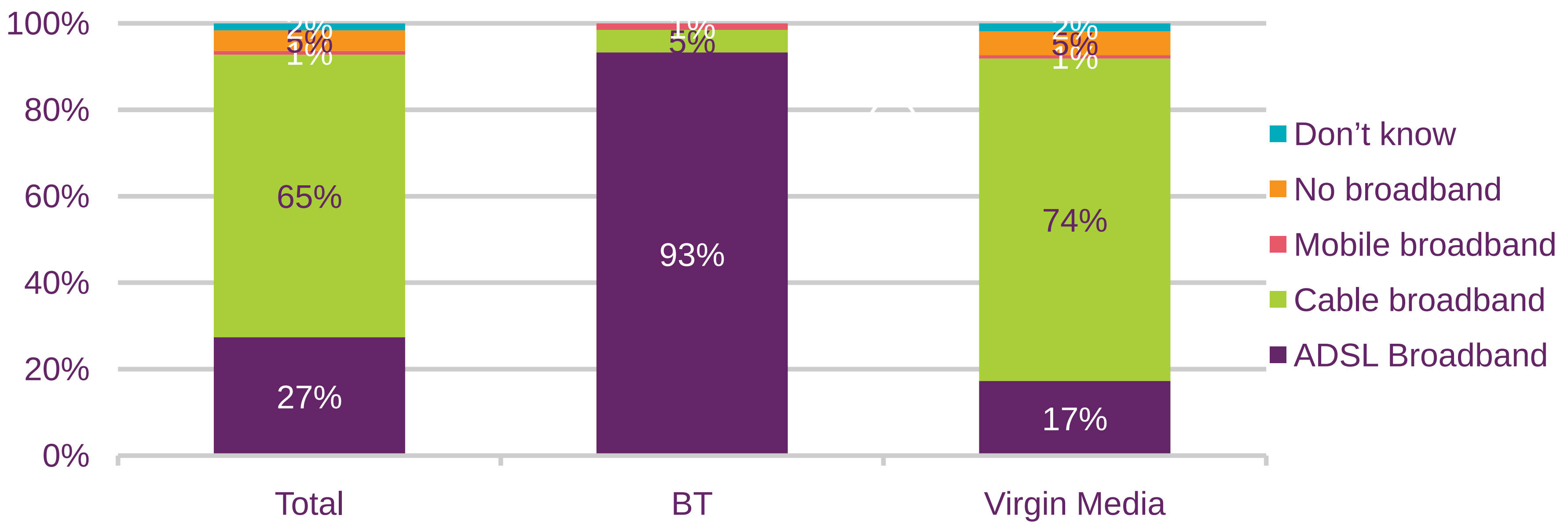


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with super-fast broadband (1008; Virgin Media 874, BT Infinity 134)
Note: Only respondents citing available suppliers and speeds were included in the survey

Figure 5.5

Previous broadband package, by current provider

Q6 – What type of broadband package did your household have before subscribing to the (current) broadband service?

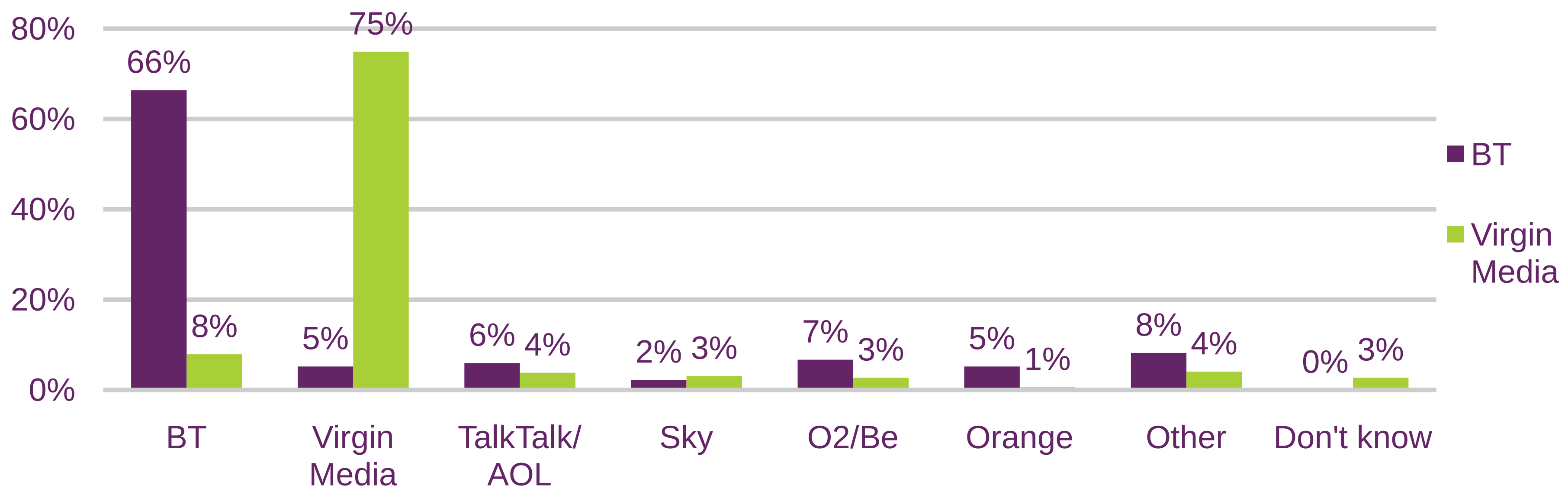


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with super-fast broadband (1008; Virgin Media 874, BT Infinity 134)

Figure 5.6

Previous Internet Service Provider, by current provider

Q6a – And which Internet Service Provider did your household use before you subscribed to your (current) service?

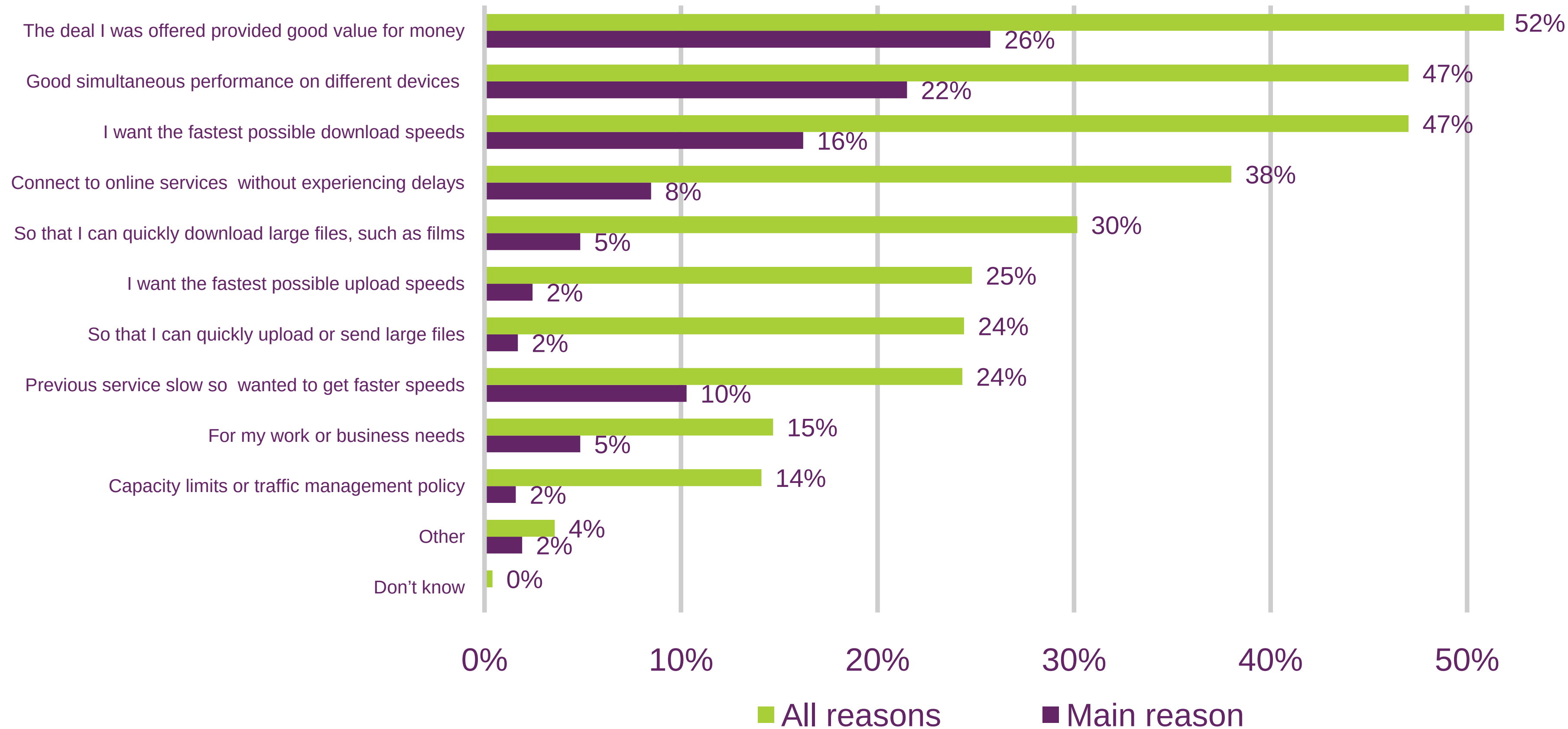


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with broadband before (943; Virgin Media 809, BT Infinity 134)

Figure 5.7

Reasons for choosing current broadband service

Q3/4 – Why did you choose a <xMbit/s> broadband service? And which of these was the single most important reason?

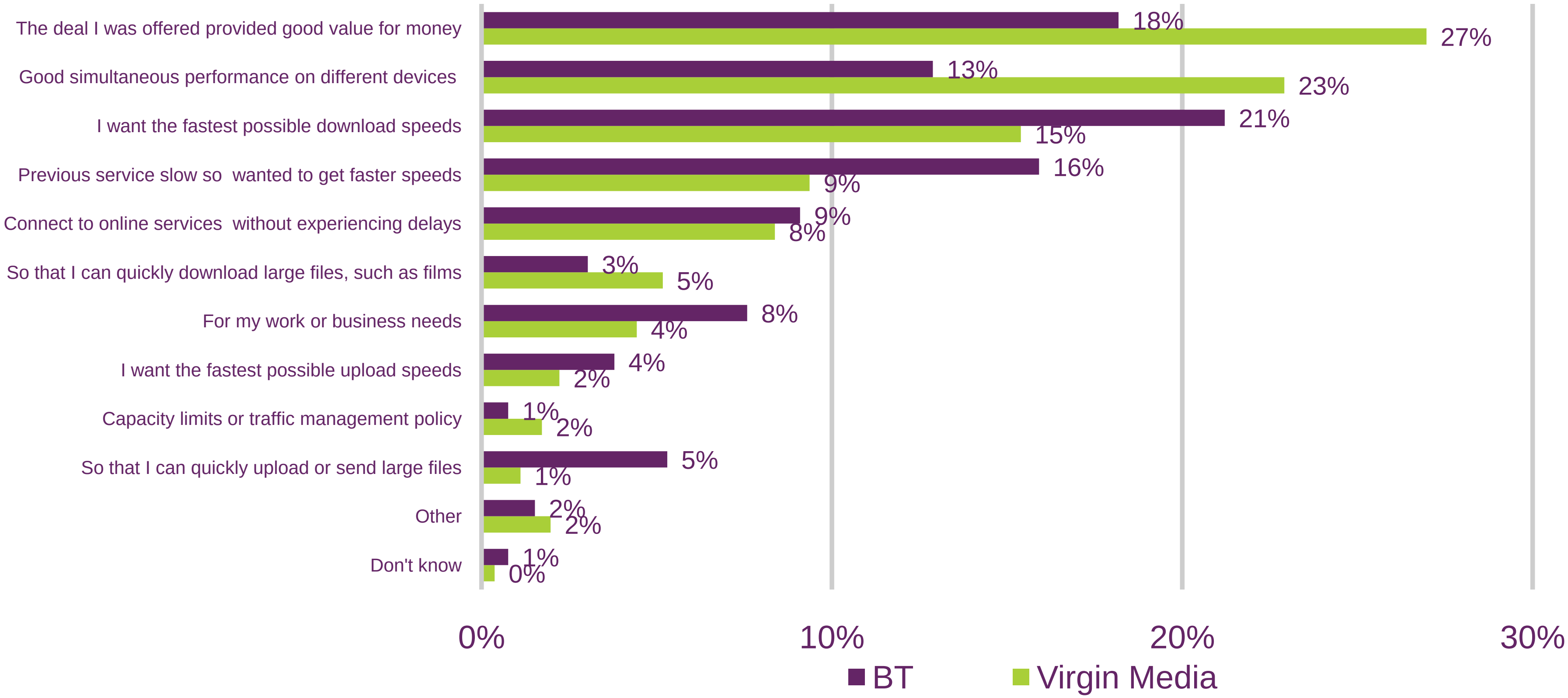


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with super-fast broadband (1008; Virgin Media 874, BT Infinity 134)

Figure 5.8

Most important reason for choosing broadband service, by current provider

Q3/4 – Why did you choose a <xMbit/s> broadband service? And which of these was the single most important reason?

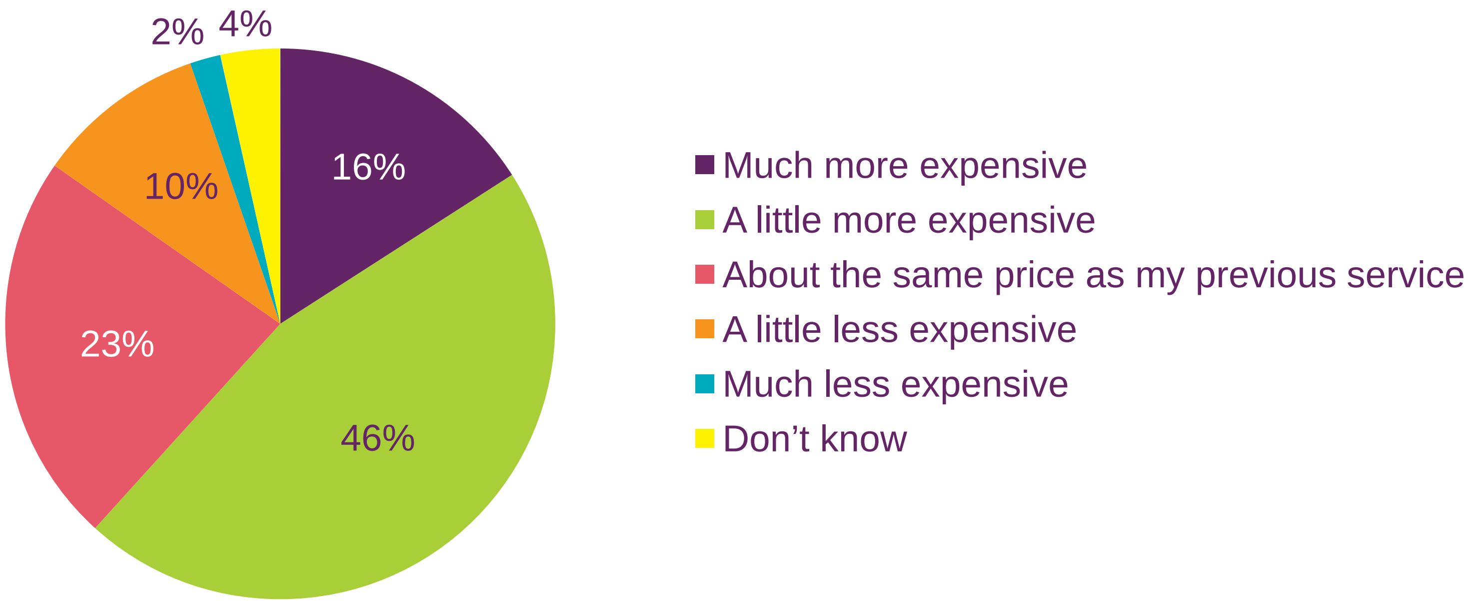


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with super-fast broadband (1008; Virgin Media 874, BT Infinity 134)

Figure 5.9

Price of current broadband service compared to previous service

Q9 – How does the price of your current broadband service compare to the broadband service that you used to have?

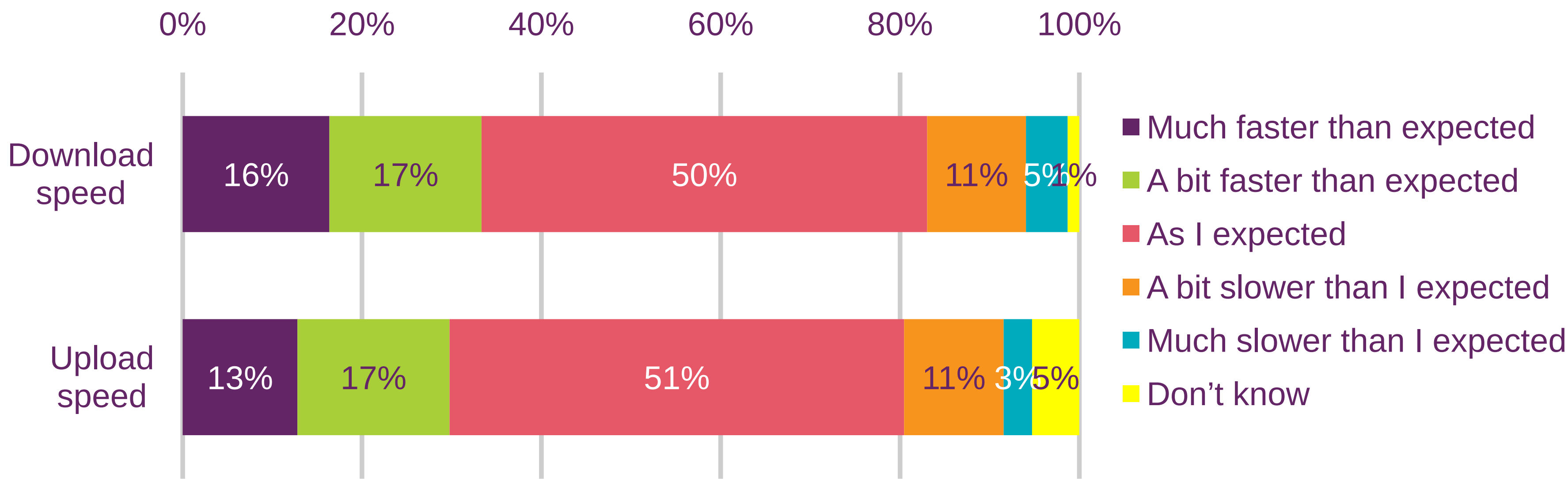


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with broadband before (943)

Figure 5.10

Speed of broadband service compared to initial expectations

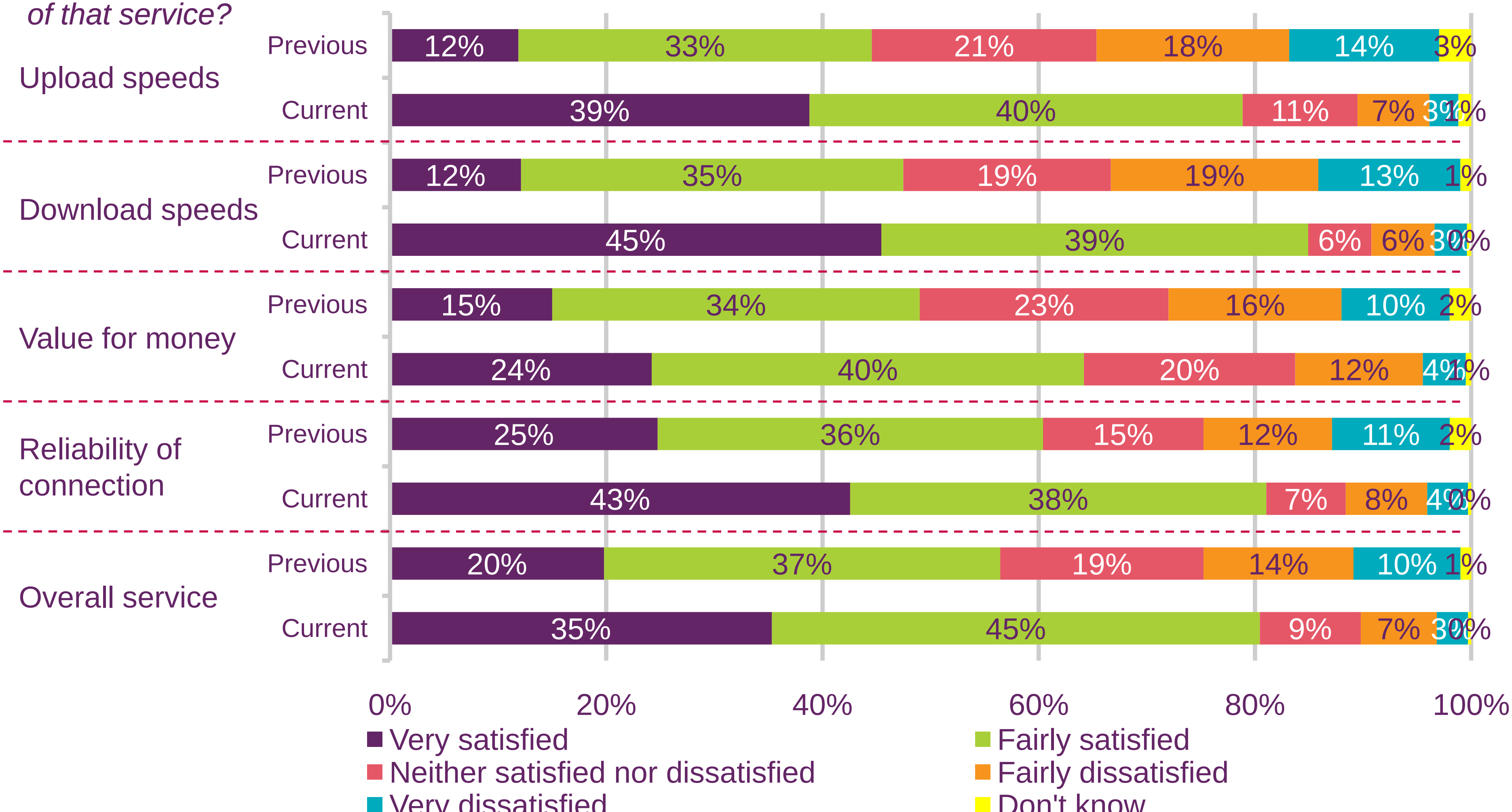
Q10/11 – How does the download/upload speed of your current broadband service compare with what you expected when you signed up for it?



Base: All with super-fast broadband (1008)
Source: Ofcom research, fieldwork carried out by YouGov in April 2011

Figure 5.11
Satisfaction with aspects of current broadband service

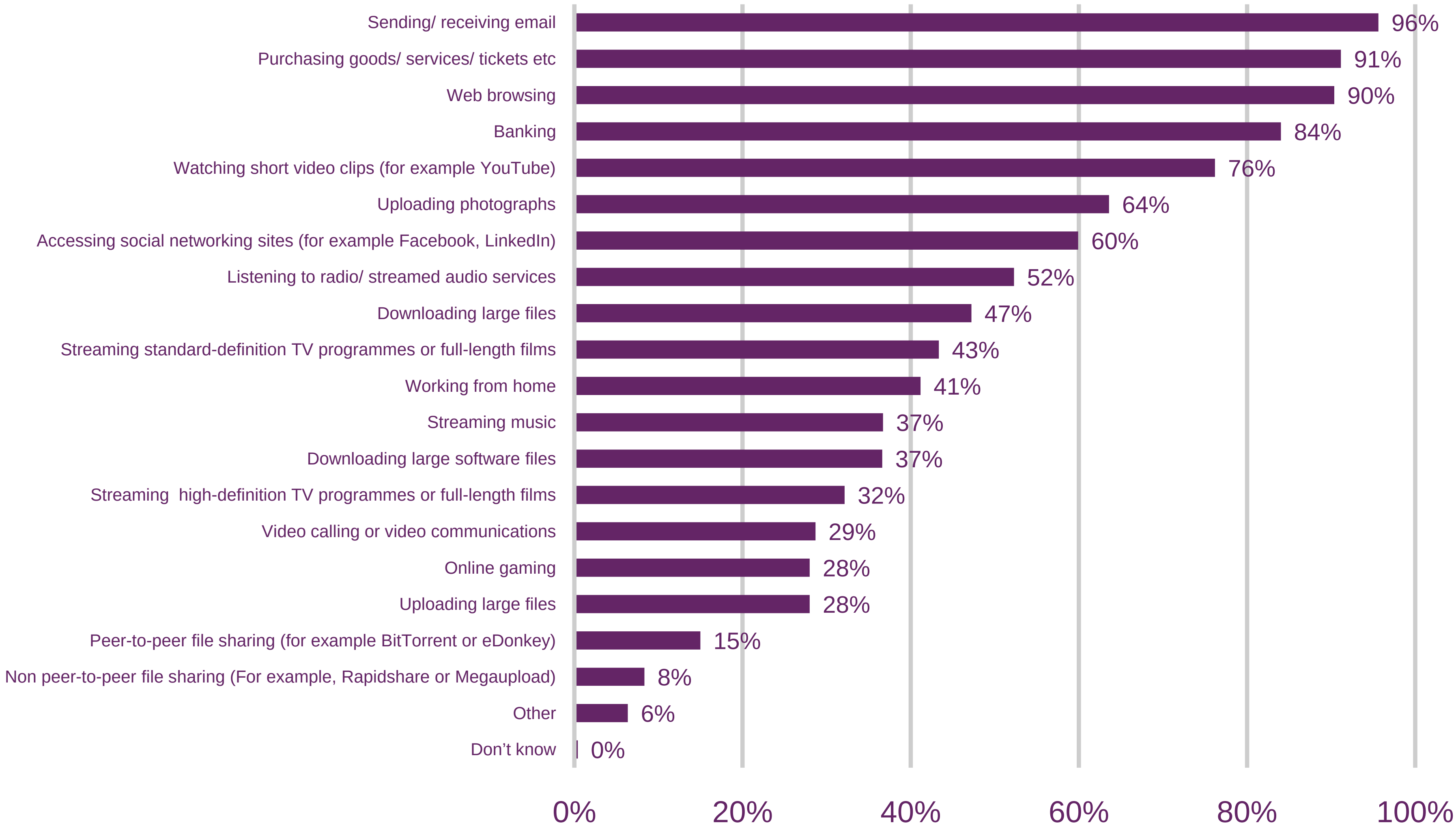
Q7/8 – To what extent are you satisfied or dissatisfied with the following aspects of your home broadband service?/Thinking about the broadband service that you used to have, to what extent were you satisfied or dissatisfied with the following aspects of that service?



Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with super-fast broadband (1008), all with broadband before (943)

Figure 5.12

Services current broadband connection used for



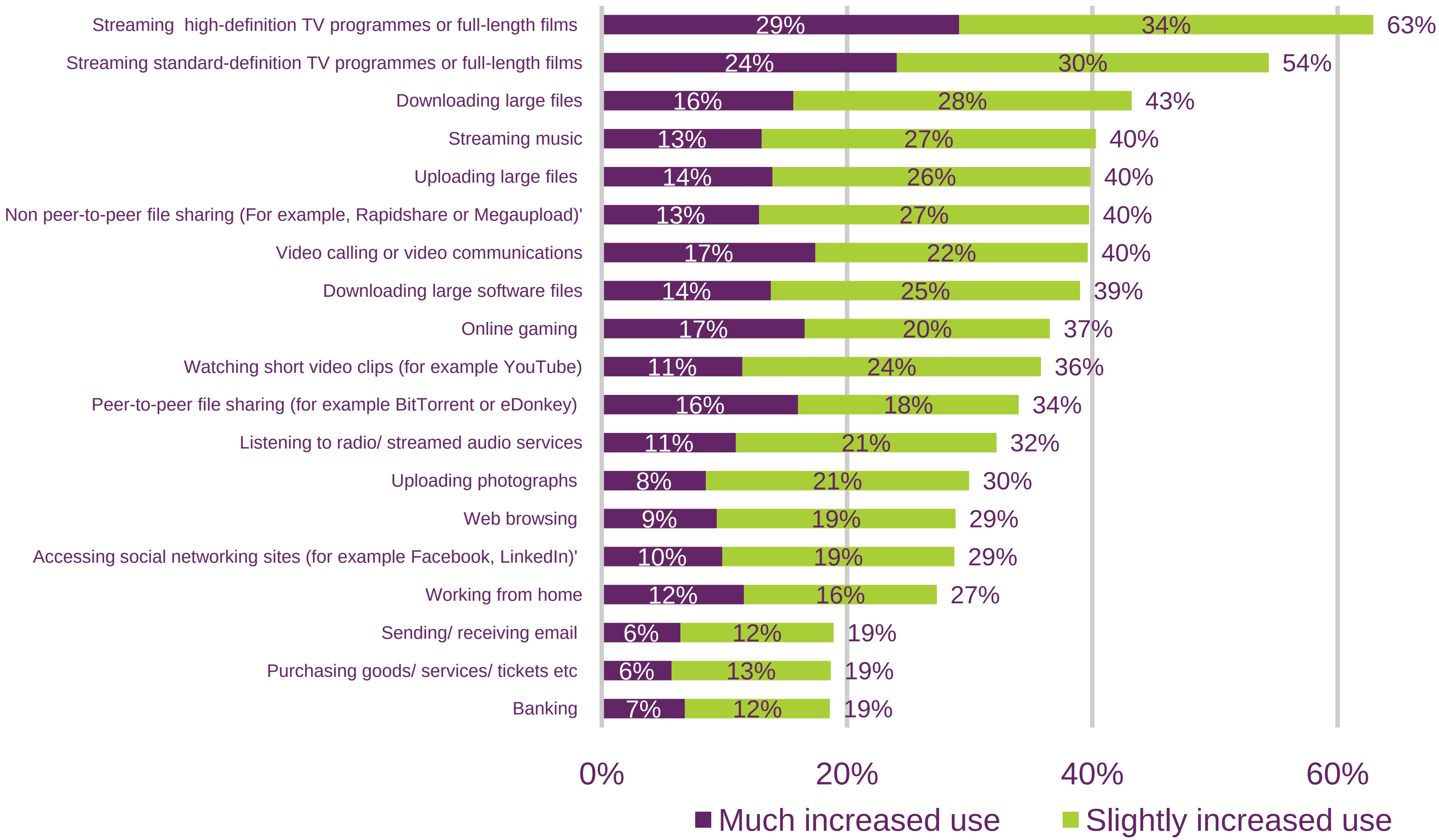
Source: Ofcom research, fieldwork carried out by YouGov in April 2011

Base: All with super-fast broadband (1008)

Figure 5.13

Change in usage compared to previous broadband connection

Q13 – How has the amount you use this service(s) changed compared to when you had your previous broadband connection?

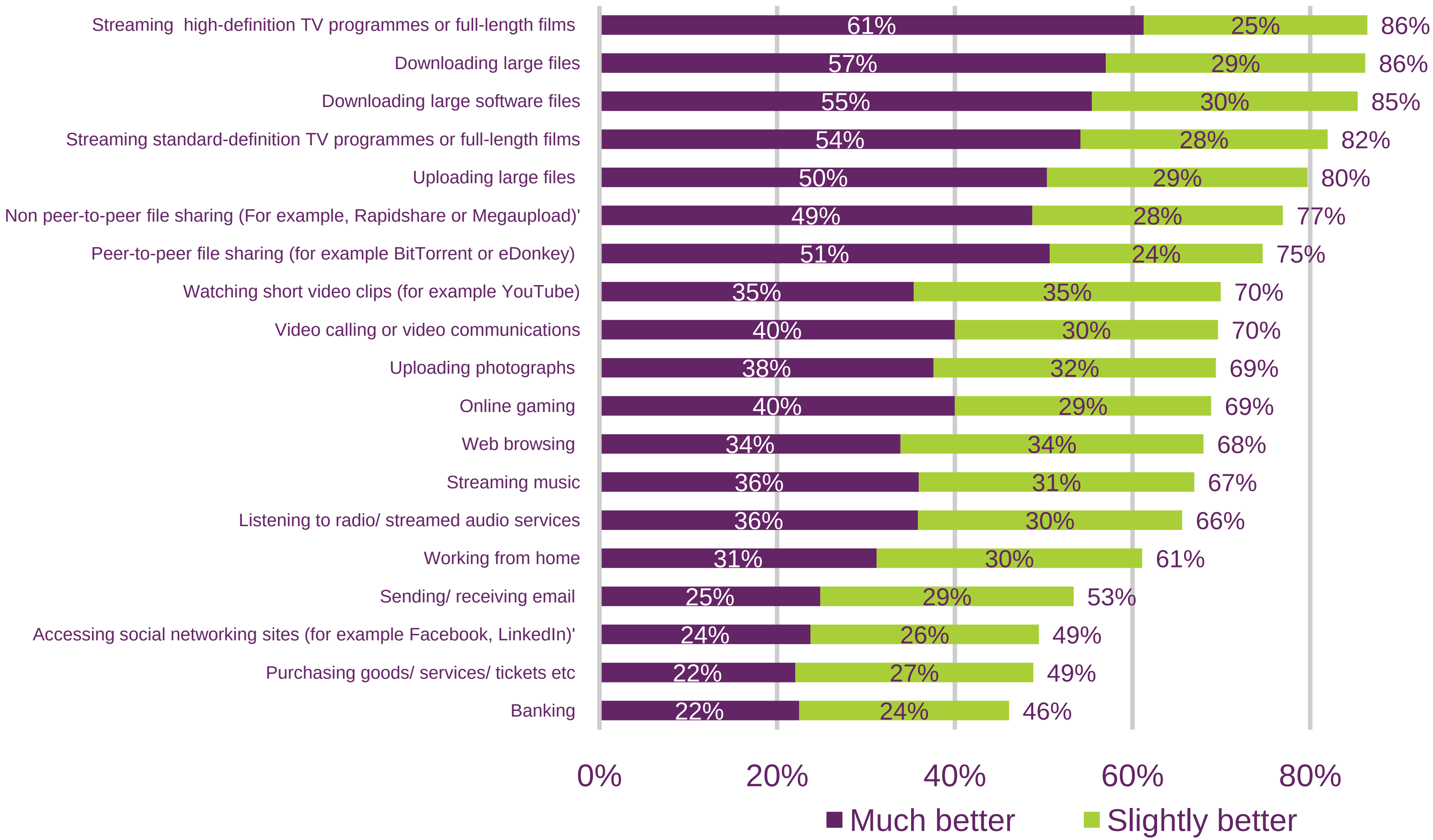


Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with broadband before and using specified service (943)

Figure 5.14

Experience of using these services compared to previous broadband connection

Q14 – And how would you describe your experience of these services using your current connection compared to your previous connection?



Source: Ofcom research, fieldwork carried out by YouGov in April 2011
Base: All with broadband before and using specified service (943)

Figure 5.15 Super-fast broadband research sample profile

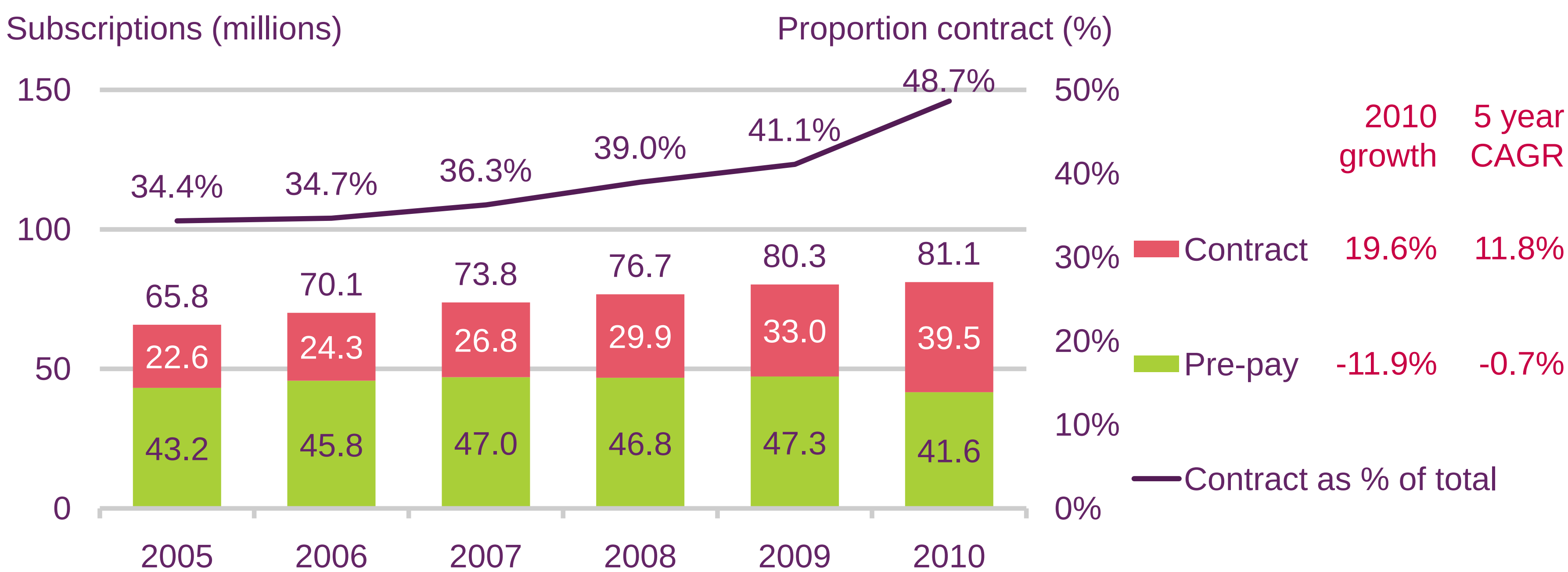
	Respondents	% of sample	% of population
Total	1008		
Age			
18 to 24	72	7	14
25 to 34	146	14	18
35 to 44	181	18	19
45 to 54	228	23	15
55+	381	38	33
Gender			
Male	728	72	48
Female	280	28	52
Social group			
ABC1	631	63	55
C2DE	377	37	45
Children at home			
No	756	75	60
Yes	236	23	40

Source: Ofcom

Mobile customers flock to pay-monthly contracts

Figure 5.16

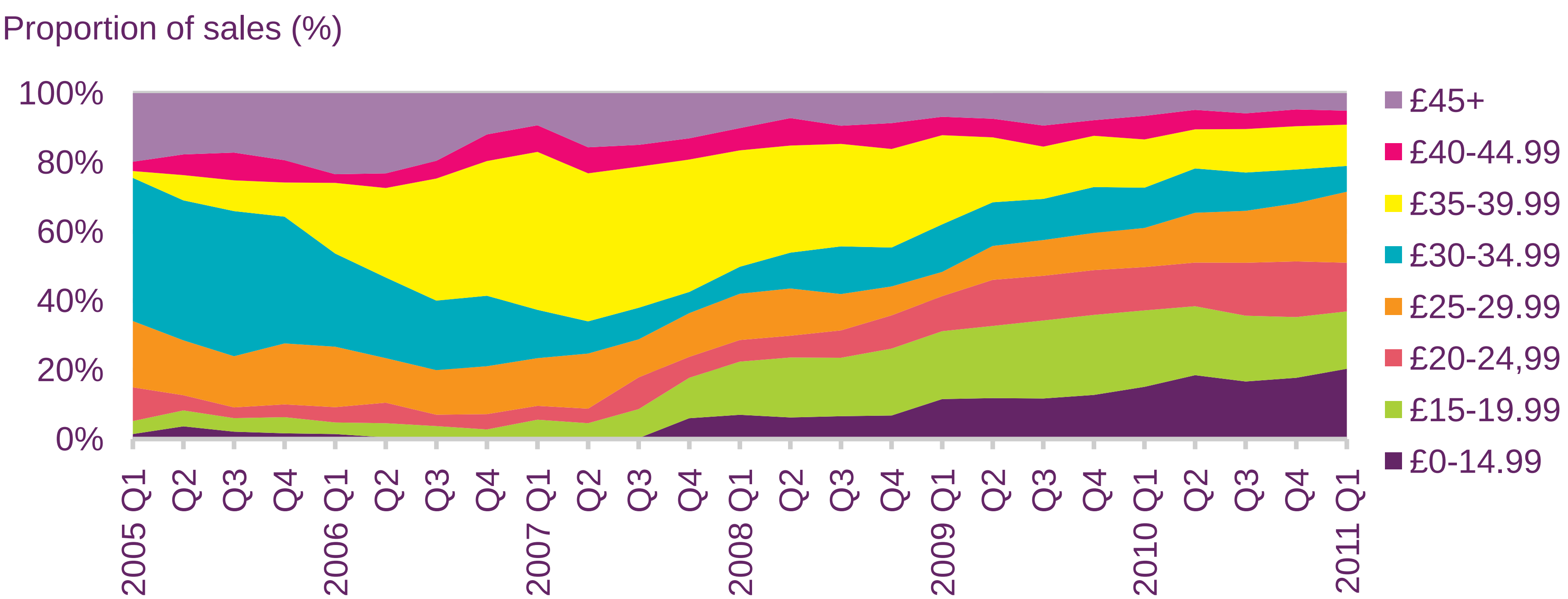
Pre-pay and contract mobile connections



Source: Ofcom / operators
Notes: Based on network operator reported figures; includes estimates where Ofcom does not receive data from the operators

Figure 5.17

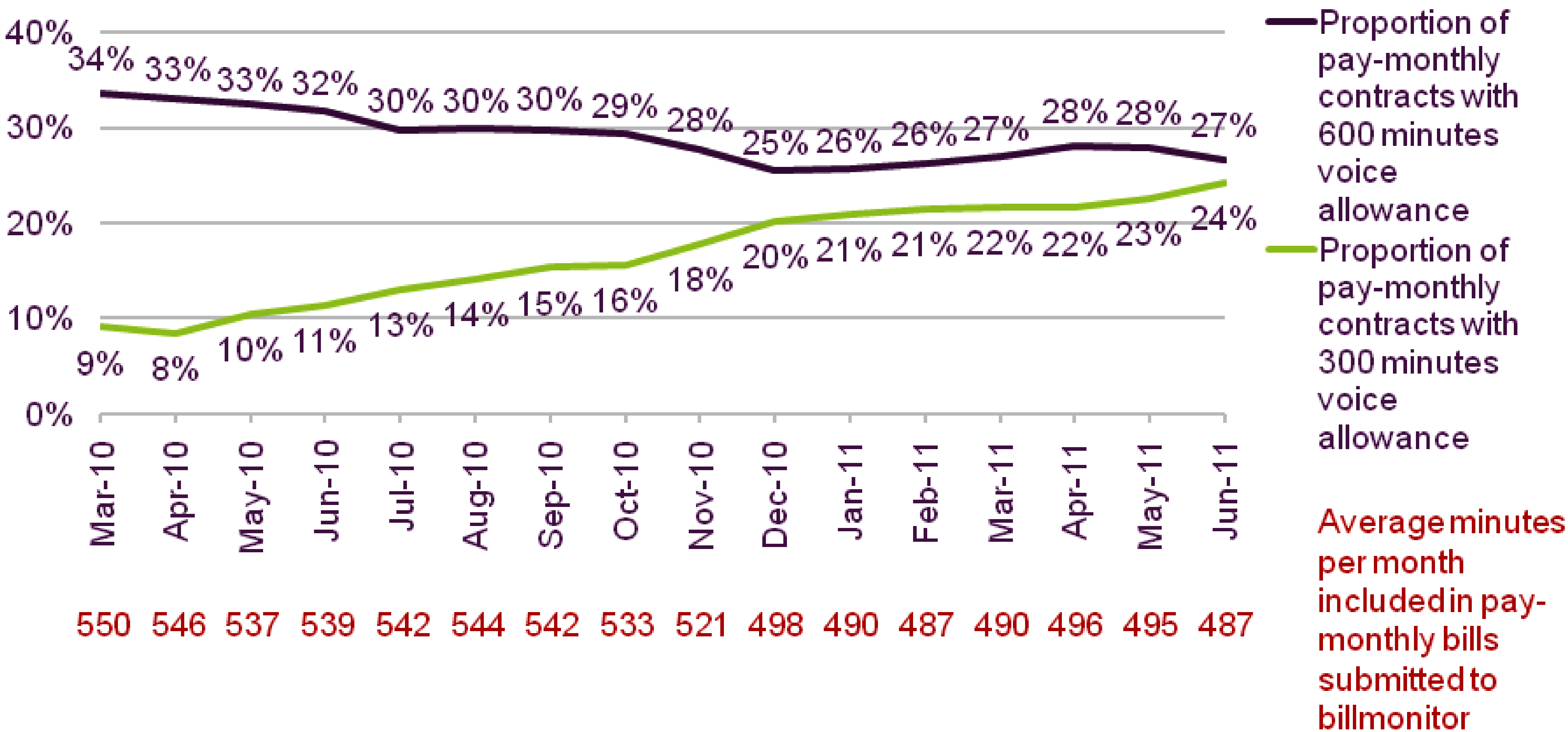
Monthly line rental prices for new mobile contract connections



Source: GfK Retail and Technology UK Ltd, Contract Handset Acquisitions: price segments.
Notes: England, Scotland and Wales only (excludes Northern Ireland); based on GfK's coverage of 94% of the consumer market; based on new post-pay connections; excludes contract renewals; only represents sales through consumer channels (i.e. most business connections are excluded)

Figure 5.18

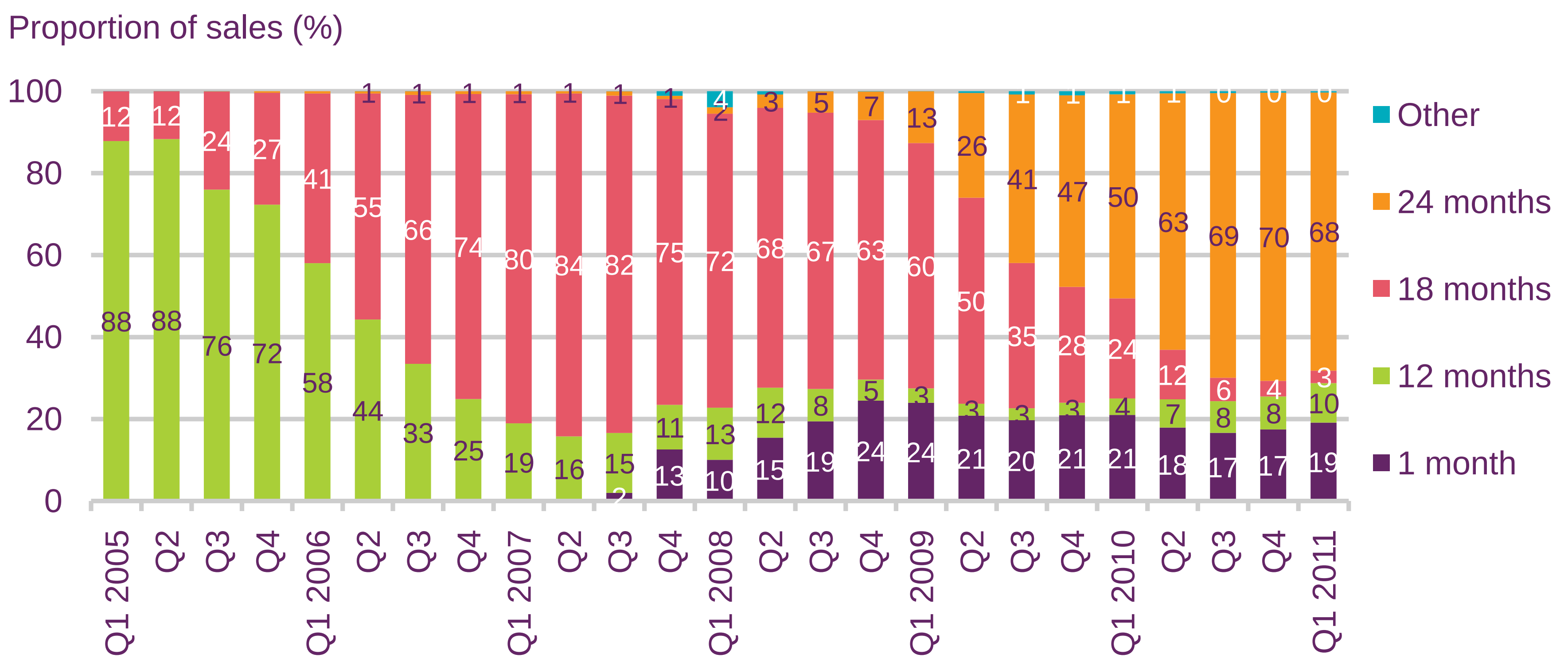
Proportion of pay monthly customers with 300 and 600 minutes voice allowance



Source: billmonitor

Figure 5.19

Monthly line rental for new mobile contract connections

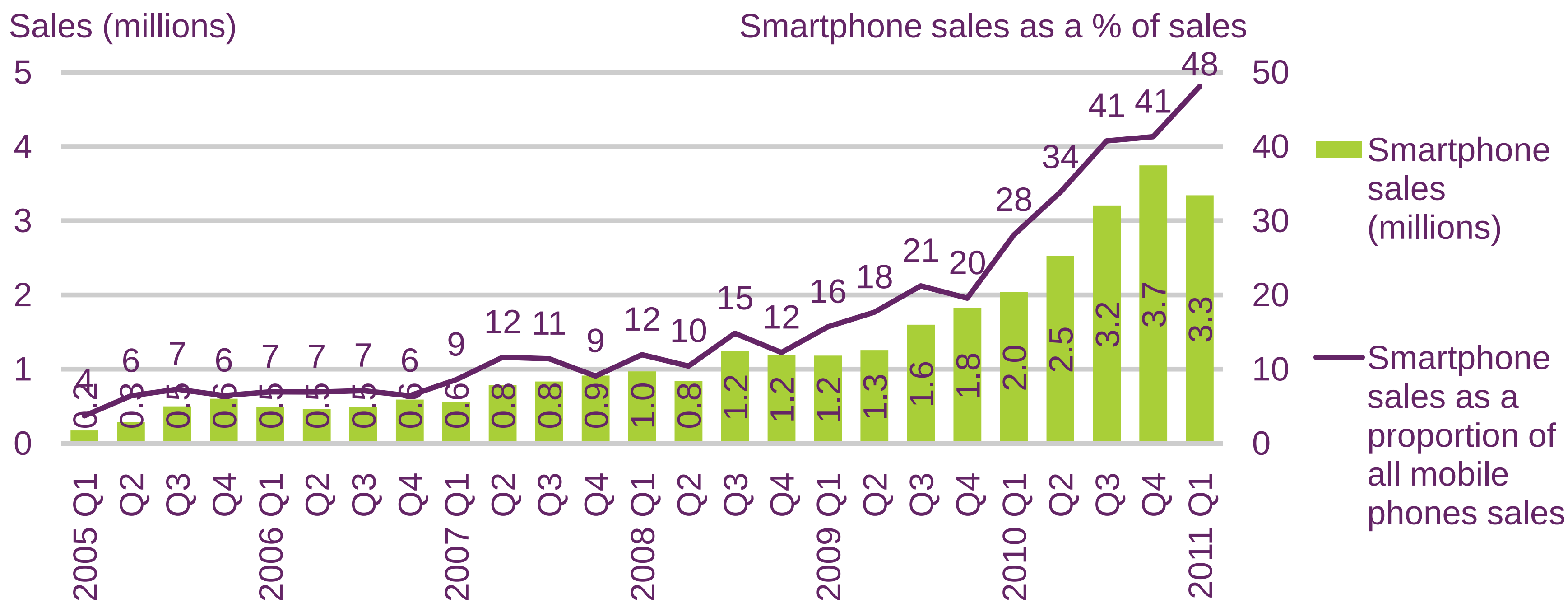


Source: GfK Retail and Technology UK Ltd, Contract Length Sales of new Mobile Connections, Q1 2005-Q1 2011.

Notes: England, Scotland and Wales only (excludes Northern Ireland); based on GfK's coverage of 94% of the consumer market; based on new post-pay connections; excludes contract renewals; only represents sales through consumer channels (i.e. most business connections are excluded)

Figure 5.20

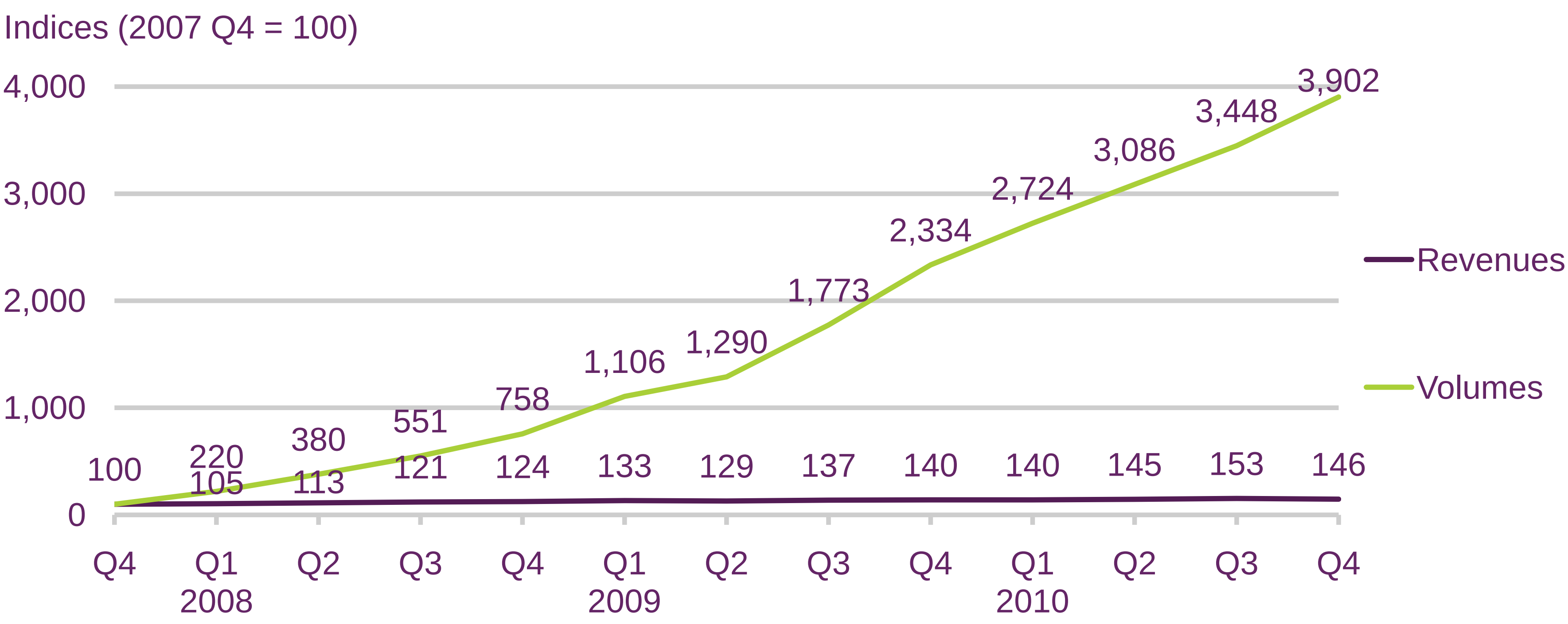
UK smartphone sales



Source: GfK Retail and Technology Ltd, based on factual point-of-sale information
(1) Smartphones are defined as any handset running an open operating system, including Symbian (6.1 and above), Android, BlackBerry, iPhone, Palm, Windows Mobile or Linux operating systems;
(2) England, Scotland and Wales only (excludes Northern Ireland);
(3) Based on GfK 's coverage of 95% of the market – data have been extrapolated to represent whole market
(4) Only represents sales through consumer channels, i.e. most business connections are excluded

Figure 5.21

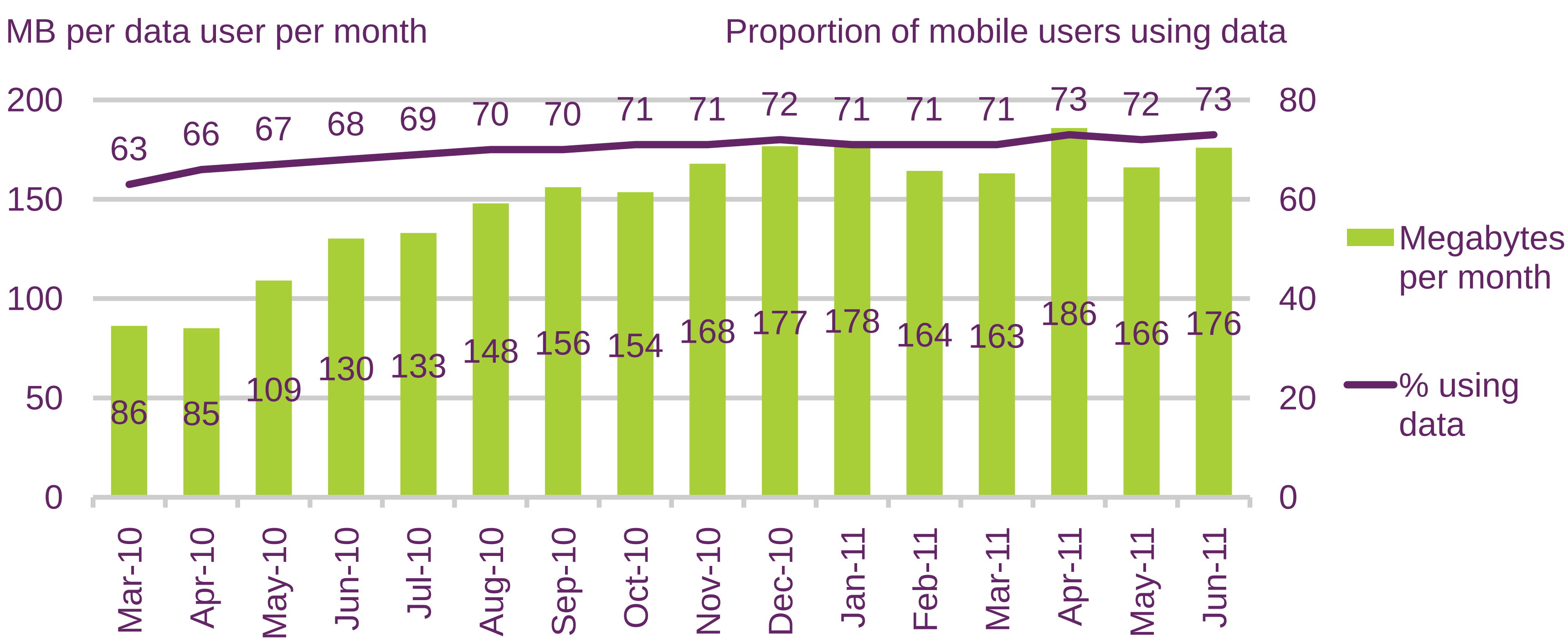
Mobile data volume and revenue growth



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators.

Figure 5.22

Average monthly data use for pay-monthly mobile phone users



Source: Bill Monitor

Overview of recent trends in residential fixed telecoms pricing

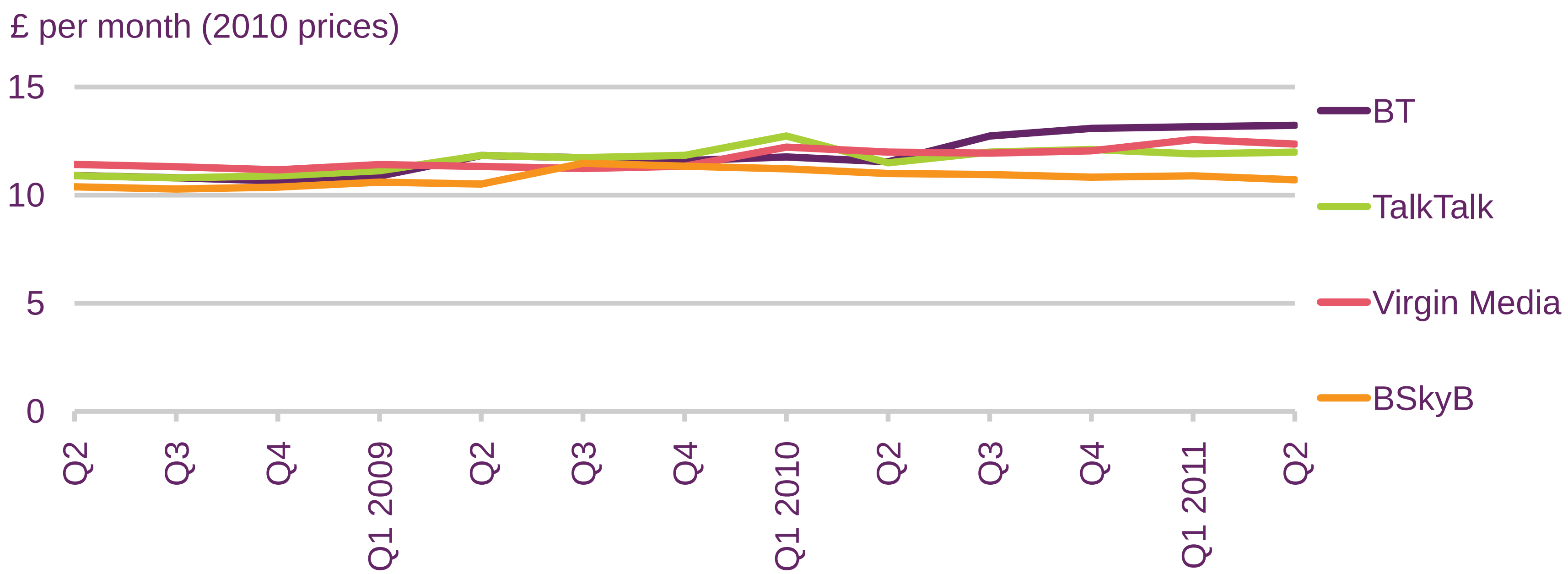
Figure 5.23

Cost of a basket of residential fixed voice services

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; excludes non-geographic voice calls; adjusted for RPI; includes VAT

Figure 5.24

Rental cost of a basic residential line by supplier



Source: Ofcom / PurePricing
Notes: Figures include VAT and are adjusted for RPI

Figure 5.25

Estimated average service call costs for basic fixed line services

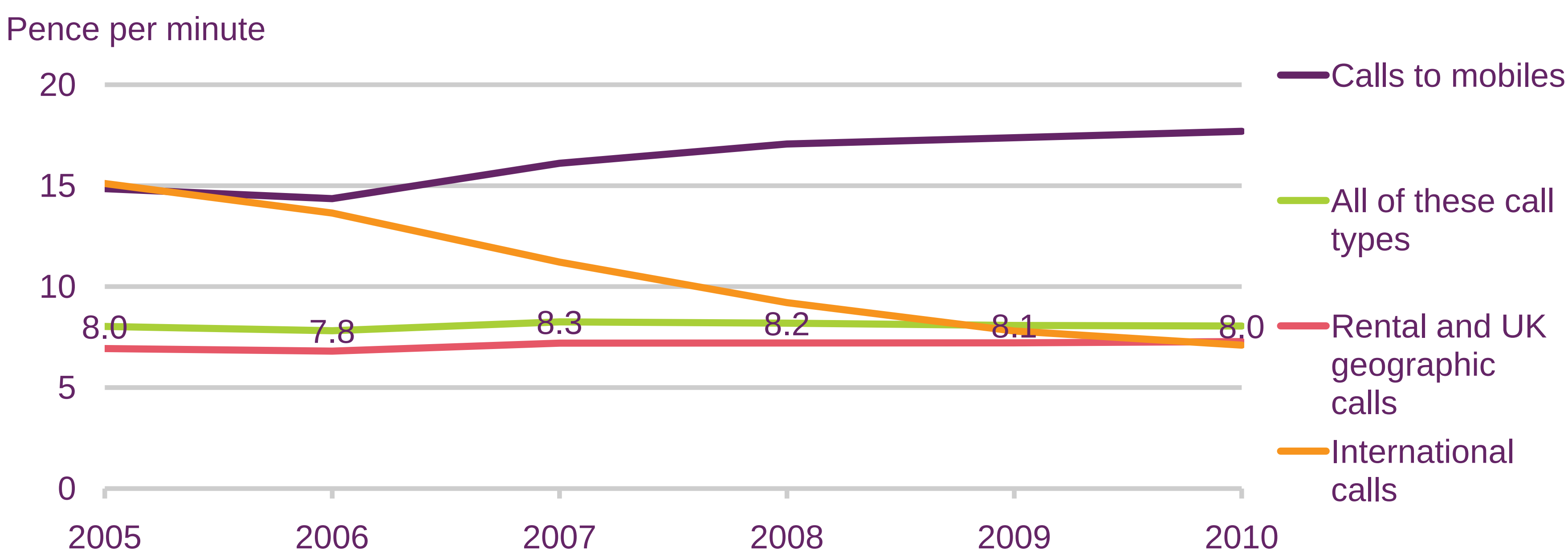
	Monthly line rental (£)	UK call set-up charge (pence)	UK fixed daytime call cost per minute (pence)	Average international daytime call cost per minute (pence)	Average mobile daytime call cost per minute (pence)
BT					
2008	11.75	6.0	4.0	20.1	12.5
2009	12.50	8.0	4.5	19.6	12.2
2010	12.79	9.9	5.9	20.0	12.5
Virgin Media					
2008	12.00	7.0	4.0	24.8	15.0
2009	12.25	8.8	5.4	32.9	15.7
2010	13.24	11.0	8.5	38.8	19.0
TalkTalk					
2008	11.75	6.0	3.9	14.7	12.0
2009	12.50	8.0	4.5	14.7	11.7
2010	14.44	9.9	5.8	14.7	12.0

Source: Ofcom / Teligen

Notes: Figures include VAT, data as at July of each year; TalkTalk tariff changed in 2010 and included bundled evening calls in addition to weekend calls

Figure 5.26

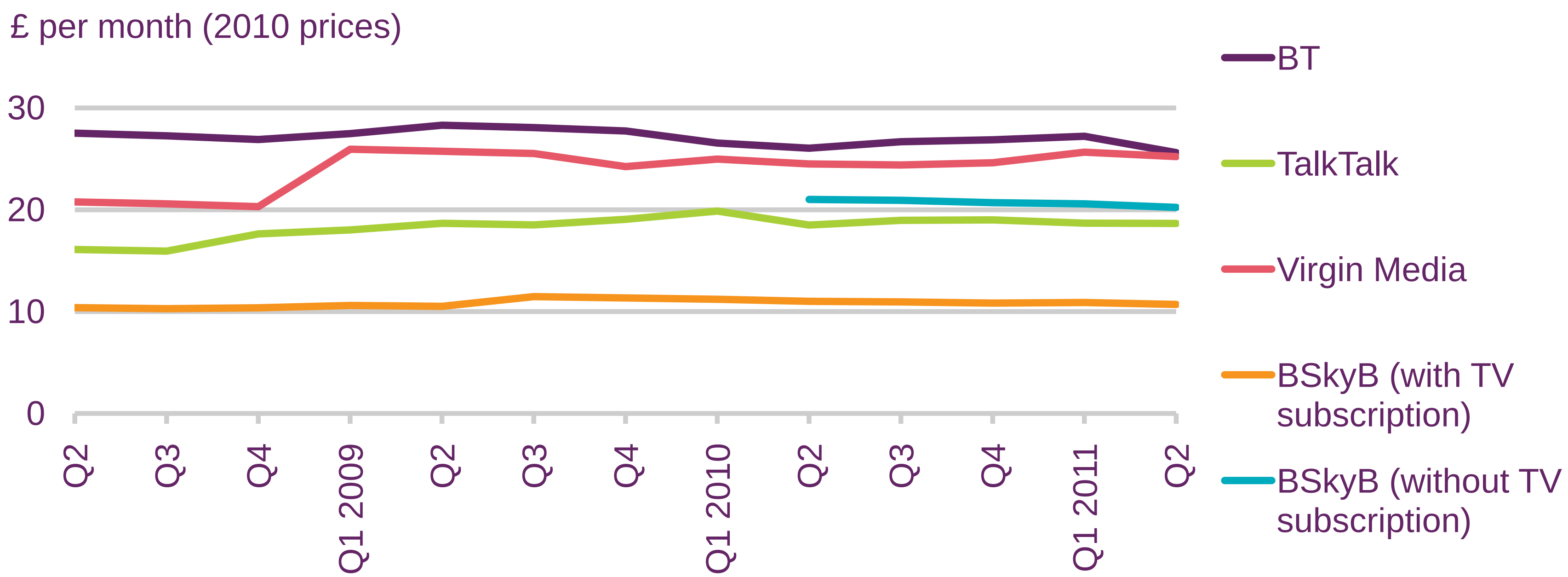
Average residential fixed voice call costs, 2005 to 2010



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; calculation of total and UK geographic calls costs include line rental revenues; excludes non-geographic voice calls; adjusted for RPI; includes VAT

Figure 5.27

Real cost of a bundled basic landline and broadband service by supplier



Source: Ofcom / PurePricing

UK Communications Market 2011: telecoms charts

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Industry overview

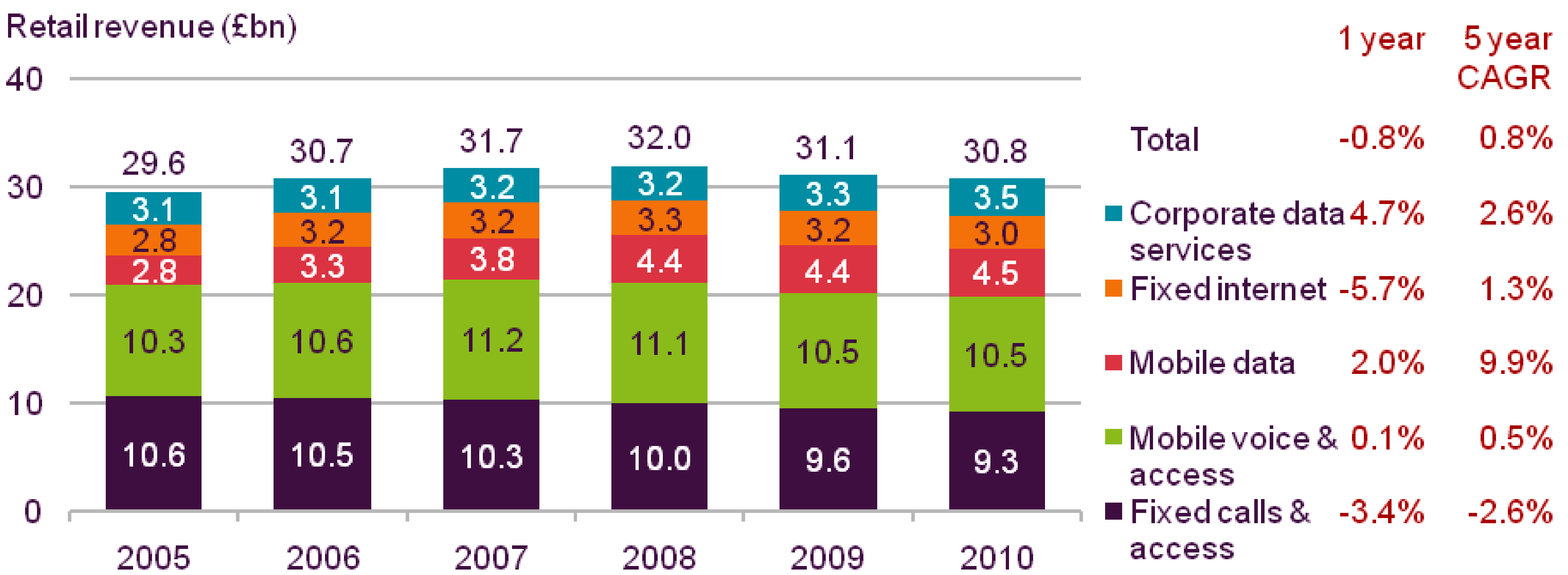
Figure 5.28

UK telecoms industry revenue overview

Source: Ofcom / ONS / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.29

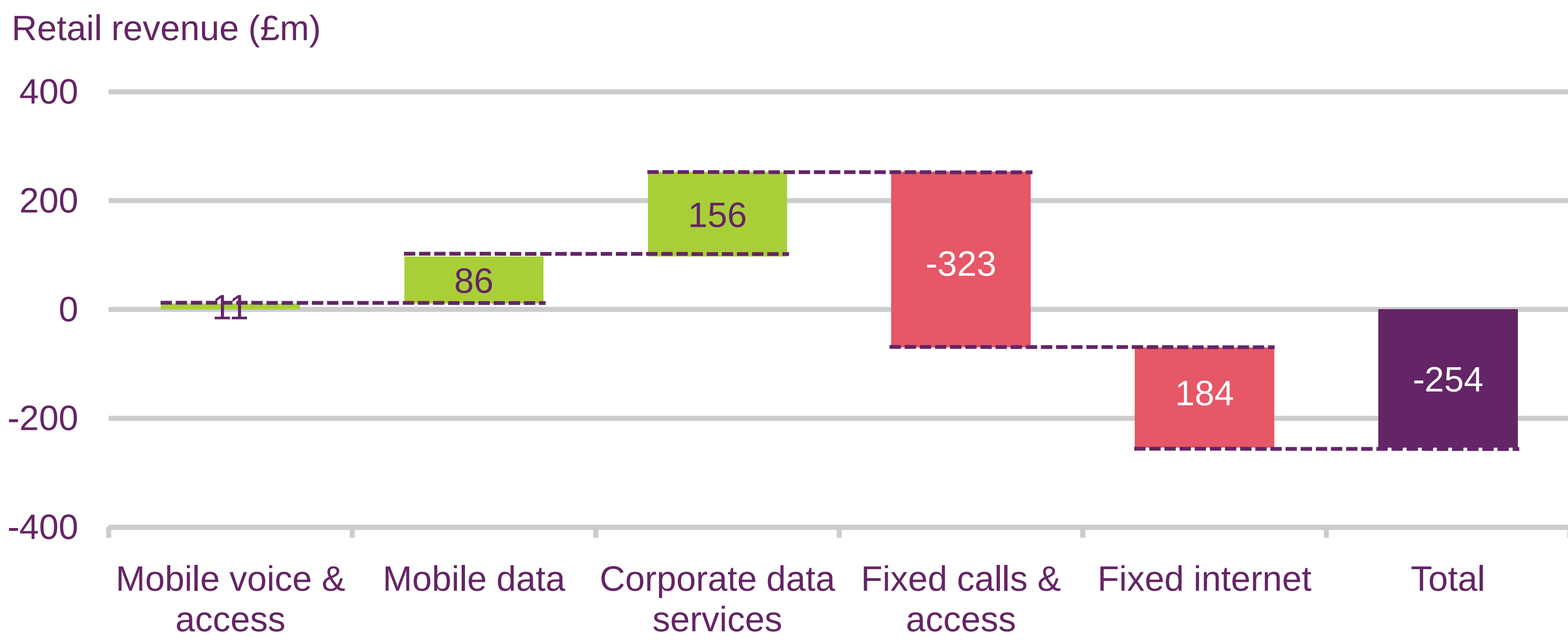
UK telecoms industry retail revenue



Source: Ofcom / operator data / IDC

Figure 5.30

Change in UK telecoms industry retail revenue, 2010



Source: Ofcom / operator data / IDC

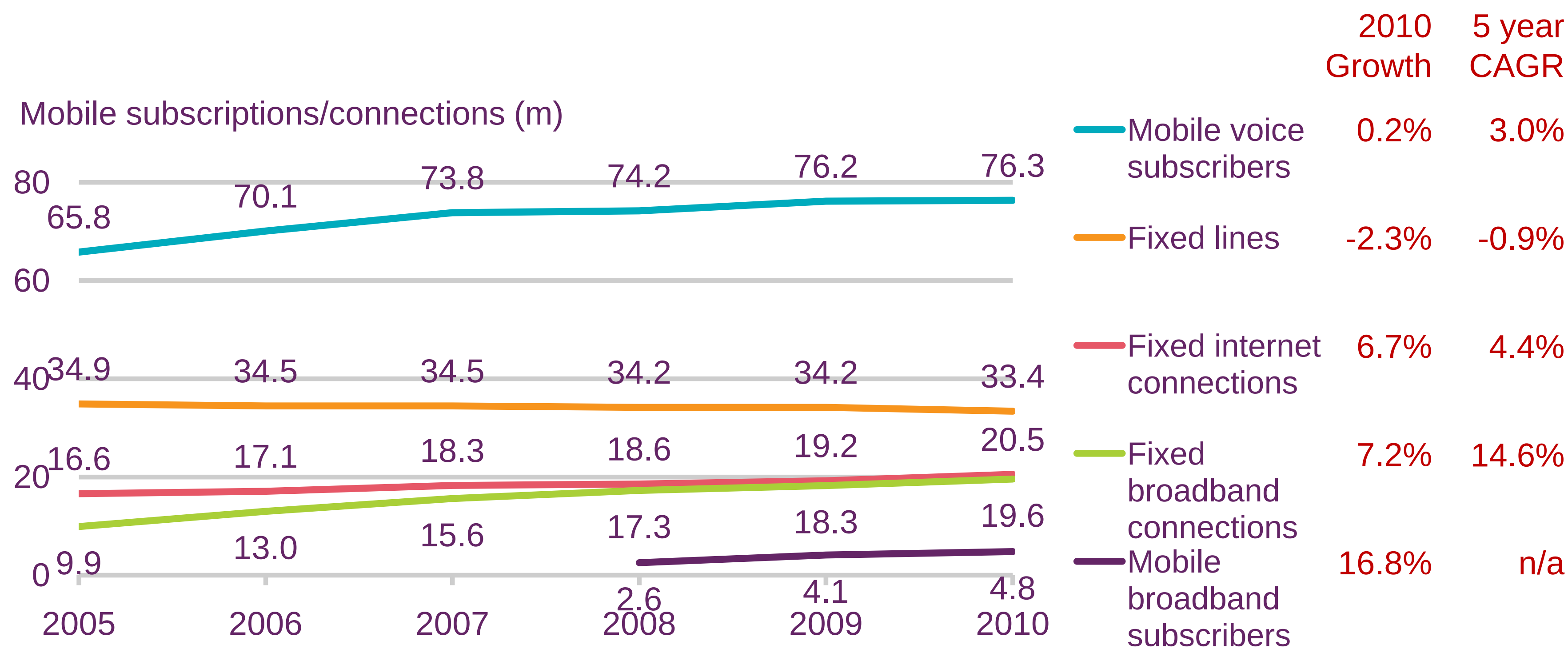
Figure 5.31

Voice and data revenue as a proportion of total telecoms revenue

Source: Ofcom / operators
Note: The bundling of messaging and data services in with monthly rental tariffs means voice revenue will include an element of mobile data revenue

Figure 5.32

Total telecoms connections

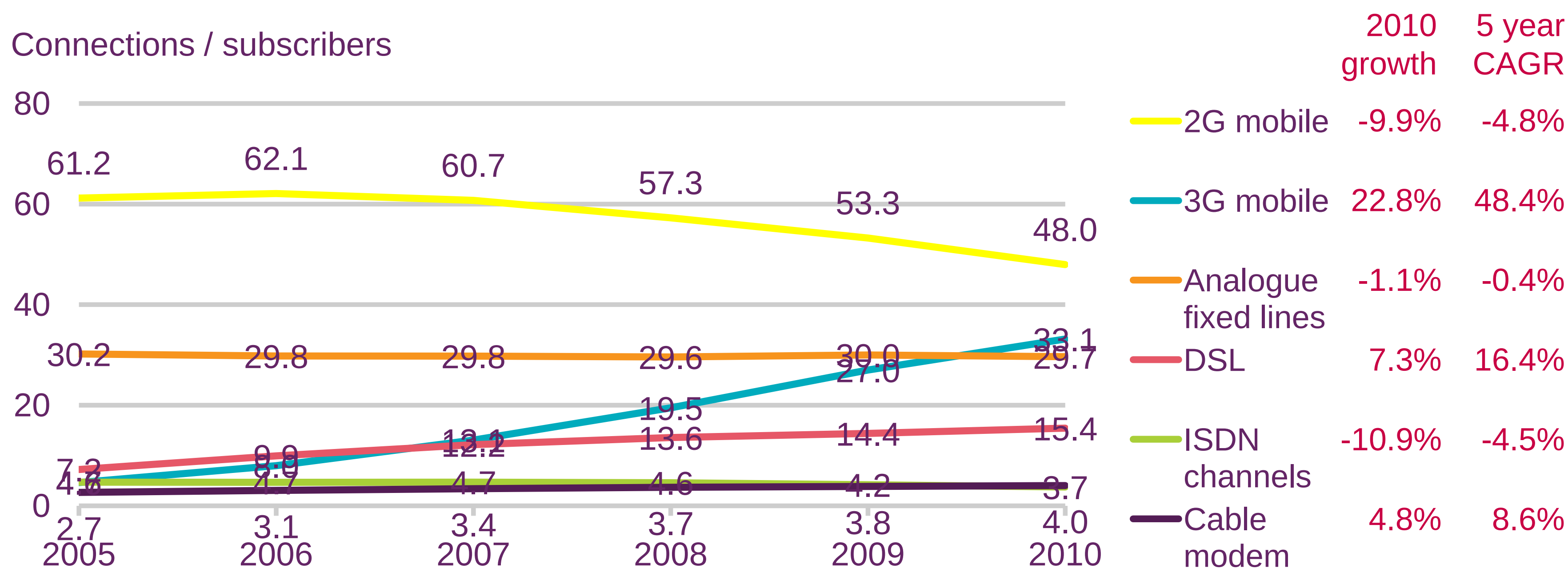


Source: Ofcom / operators

Note: Includes estimates where Ofcom does not receive data from operators; broadband excludes corporate connections; fixed-line connections includes PSTN lines and ISDN channels along with lines reported as 'other' which were previously excluded from the analysis

Figure 5.33

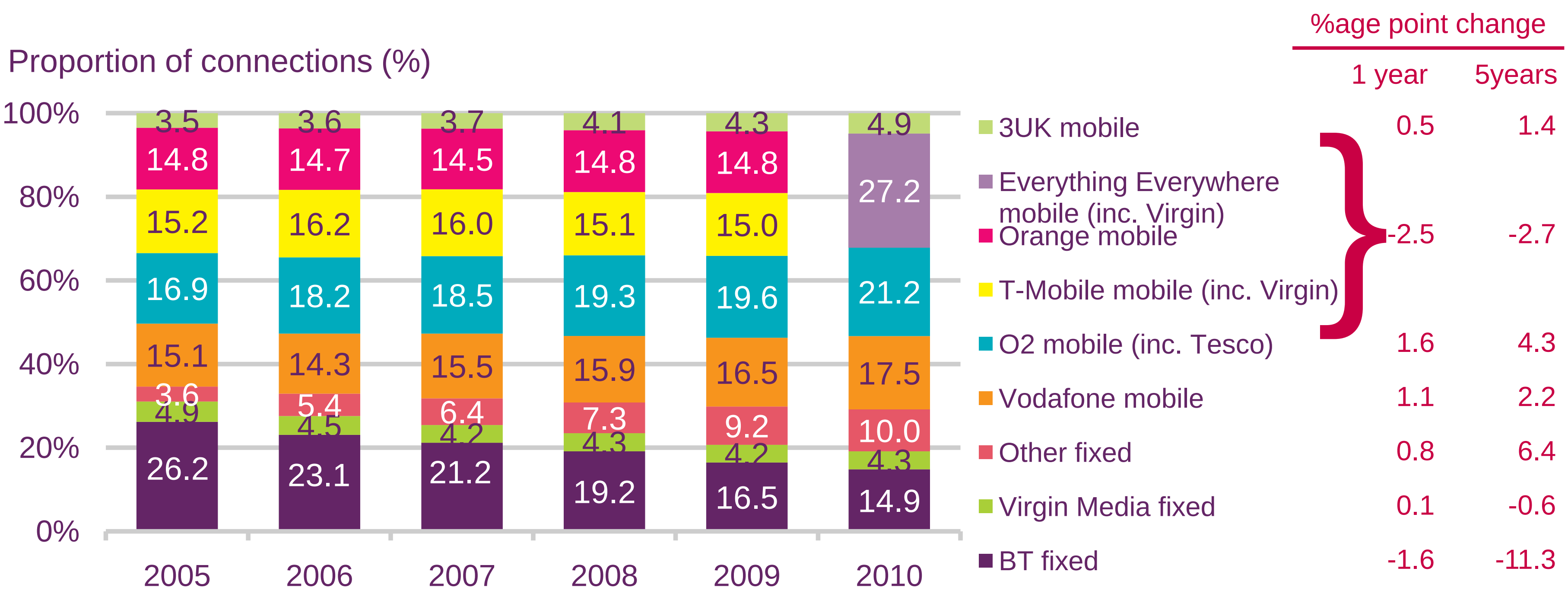
Fixed and mobile telecoms connections



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; broadband excludes corporate connections

Figure 5.34

Share of total UK fixed and mobile telecoms connections

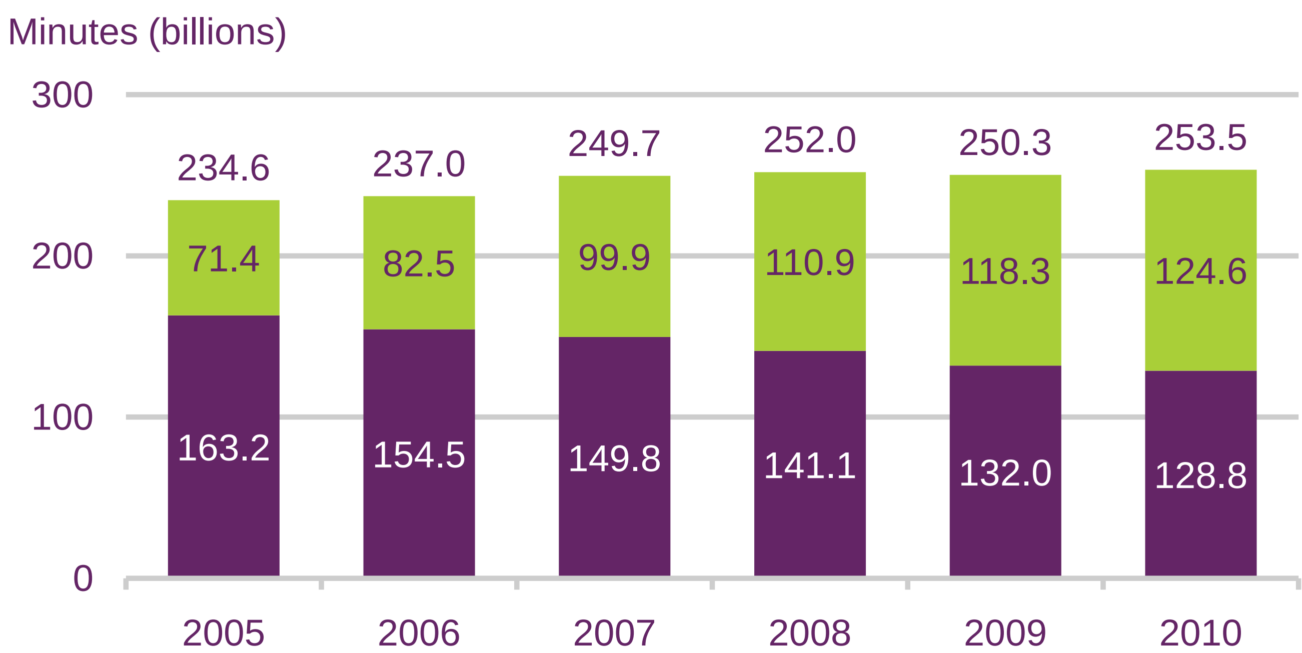


Source: Ofcom / operators

Note: Includes estimates where Ofcom does not receive data from operators; ‘Other’ includes carrier pre-selection and wholesale line rental in additional to fixed other licensed operators. MVNOs and mobile service provider connections are included within the network operator figures

Figure 5.35

Fixed and mobile voice call volumes

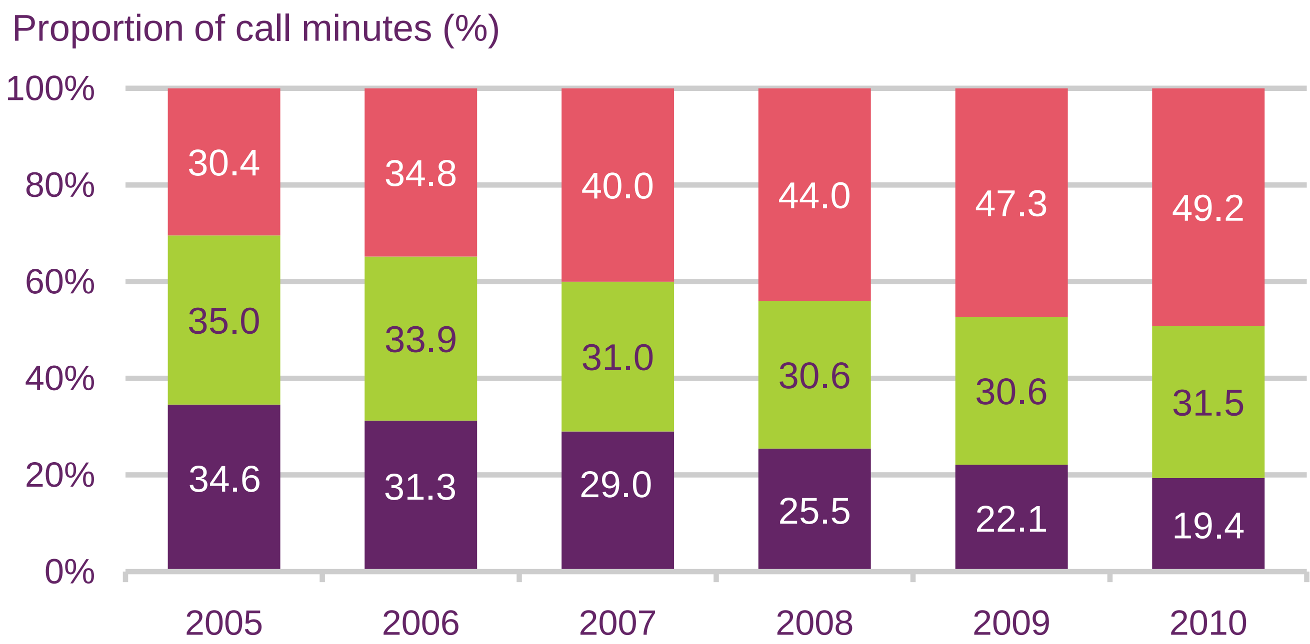


	2010 growth	5 year CAGR
Total	1.3%	1.6%
Mobile	5.3%	11.8%
Fixed	-2.4%	-4.6%

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.36

Share of total UK voice call volumes



%age point change

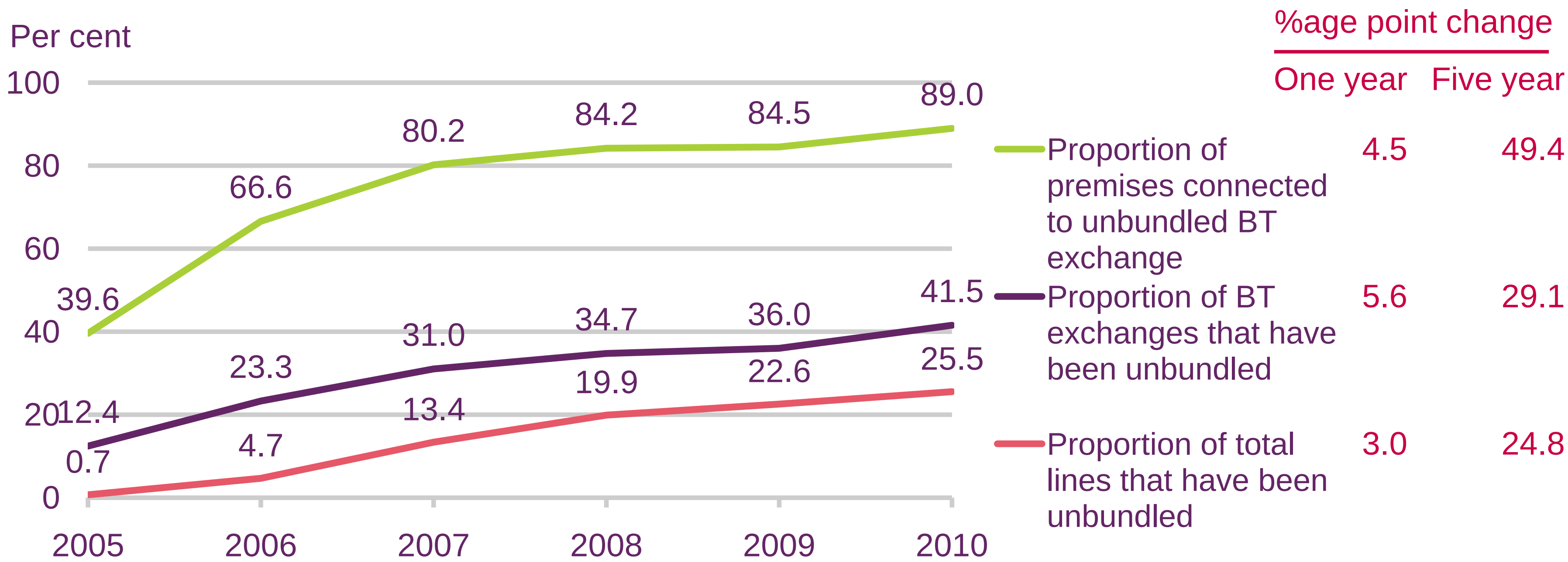
	1 year	5years
Mobile	1.9	18.7
Other fixed providers	0.8	-3.5
BT	-2.8	-15.2

Source: Ofcom / operators
Note: Includes non-geographic voice call volumes

Local loop unbundling

Figure 5.37

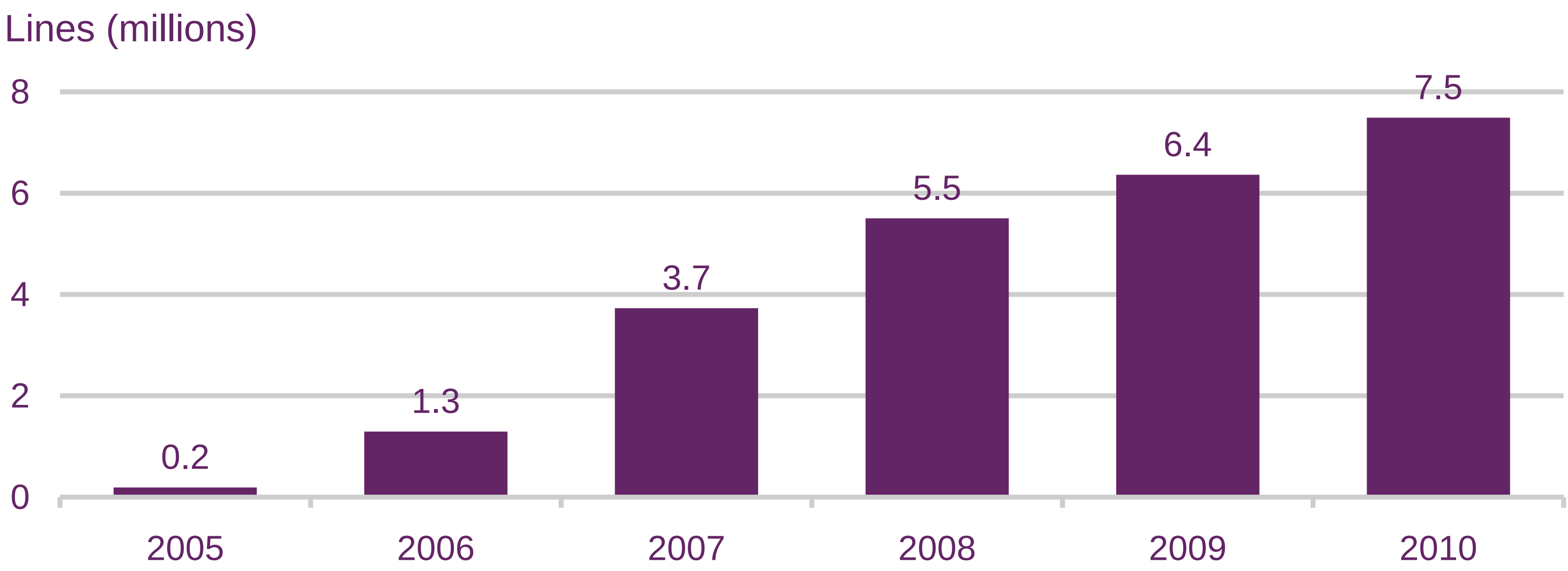
Proportion of unbundled exchanges and connected premises



Source: Ofcom / operators

Figure 5.38

Fully and partially unbundled lines

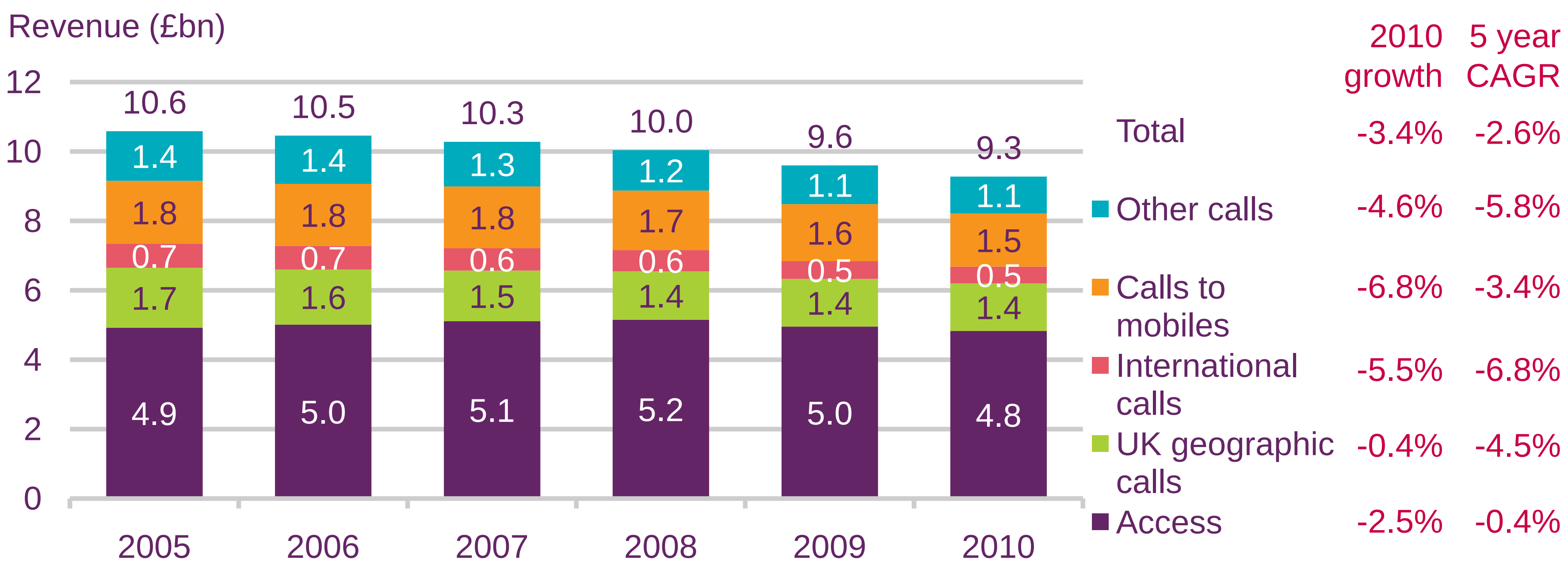


Source: Ofcom / operators

Fixed voice services

Figure 5.39

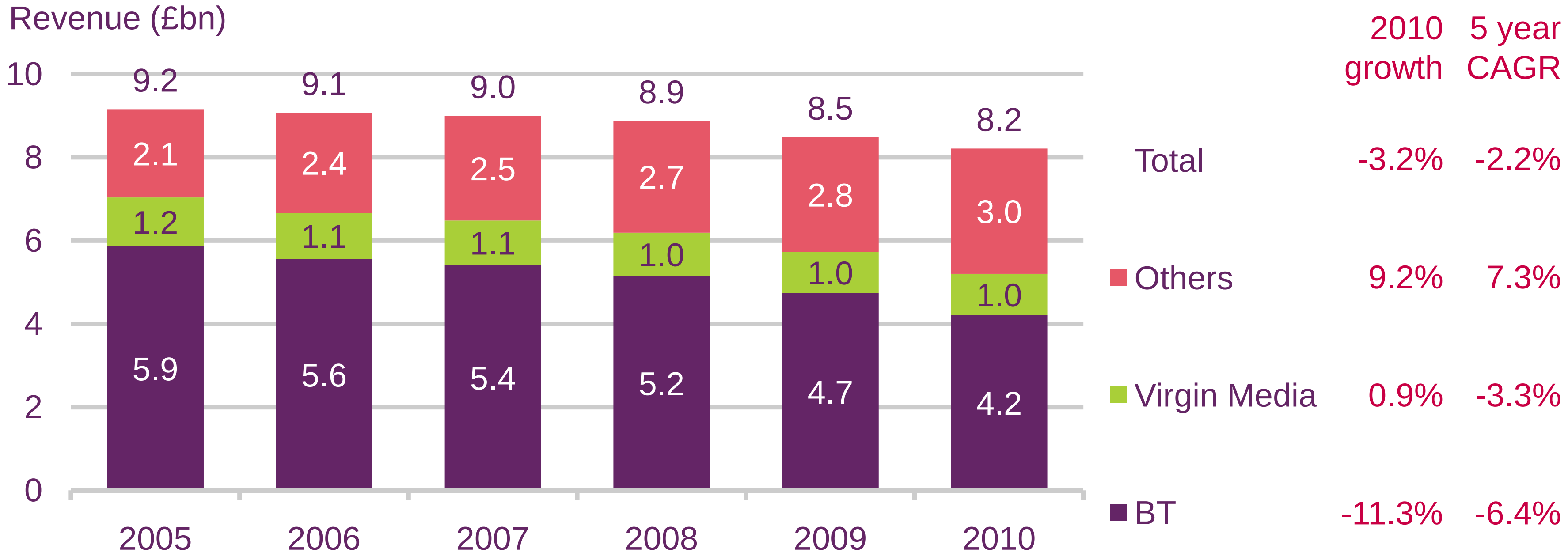
Retail fixed voice telephony revenues



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.40

Retail fixed voice telephony revenues, by provider



Source: Ofcom / operators

Note: Includes estimates where Ofcom does not receive data from operators, excludes NTS voice calls

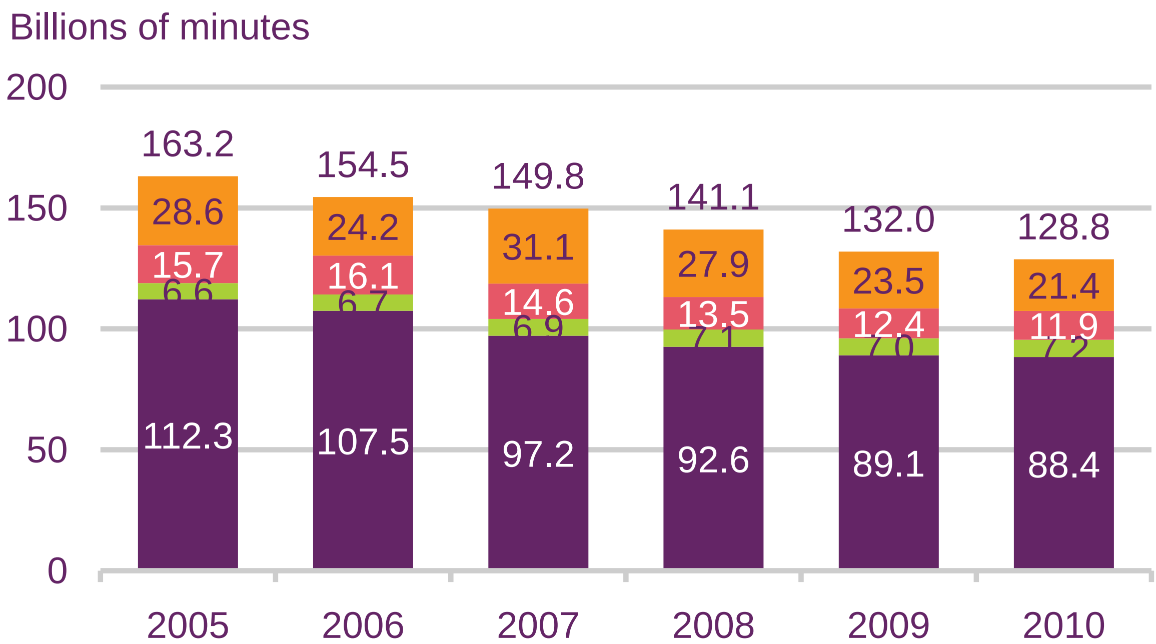
Figure 5.41

Average monthly voice revenue per fixed line

Source: Ofcom / operators
Note: Includes spend on non-geographic voice calls

Figure 5.42

Fixed telecoms voice call volumes

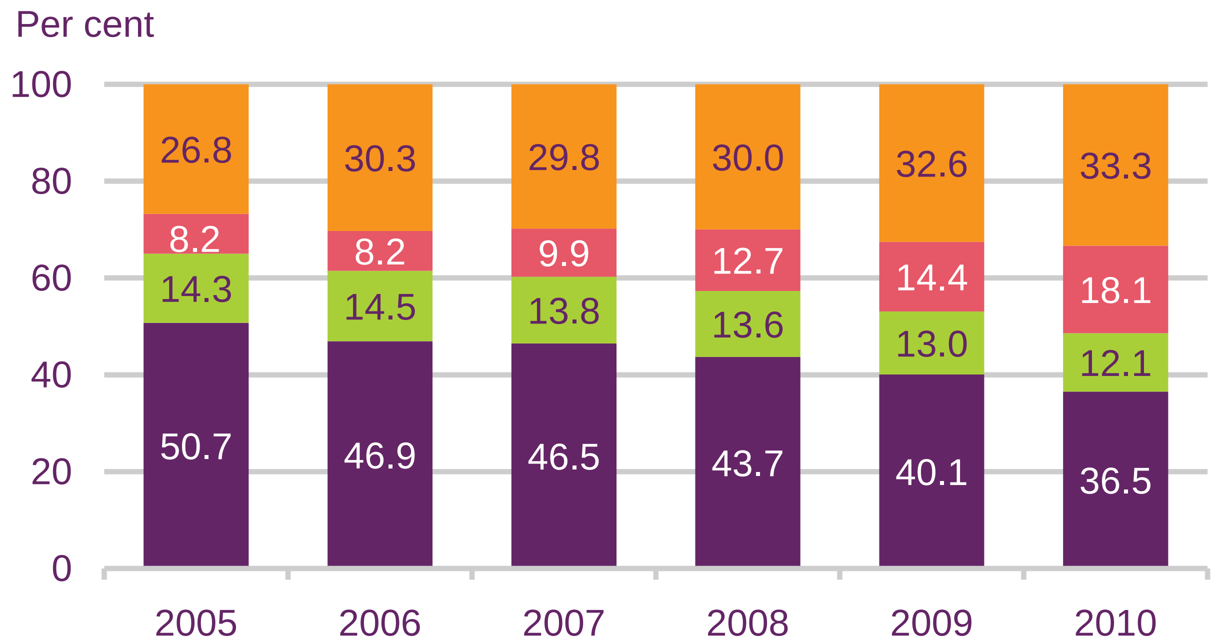


	2010 growth	5 year CAGR
Total	-2.4%	-4.6%
Other voice calls	-8.8%	-5.6%
Calls to mobiles	-4.2%	-5.4%
International calls	2.9%	1.6%
UK geographic calls	-0.9%	-4.7%

Source: Ofcom / operators

Figure 5.43

Share of retail fixed voice call volumes

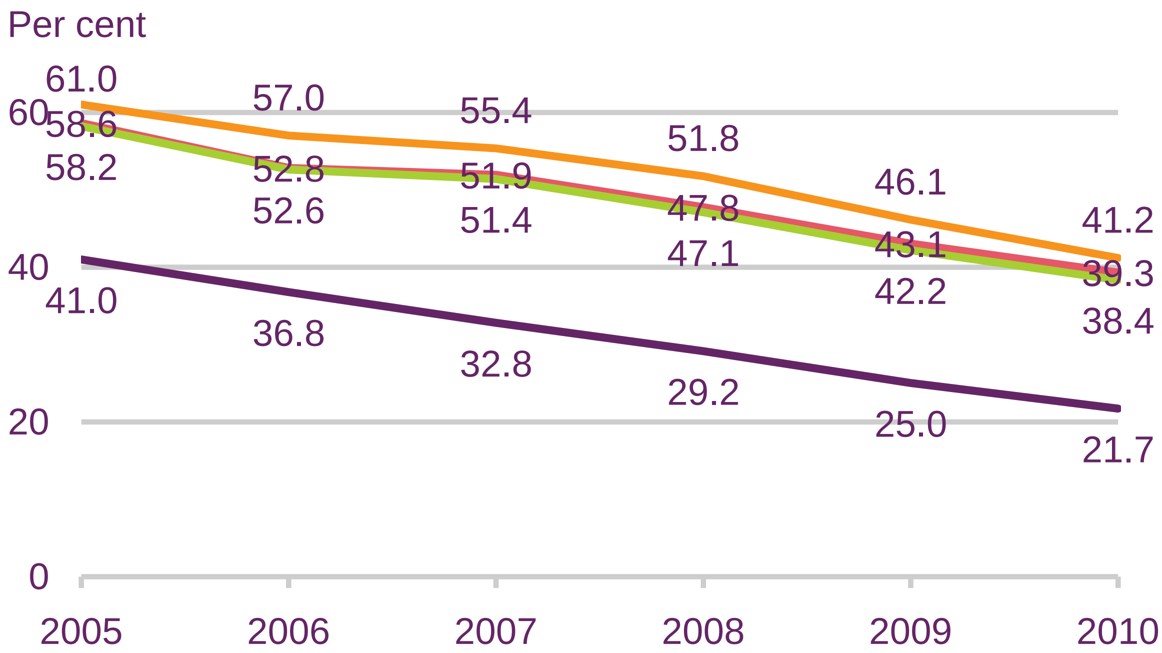


	%age point change	
	1 year	5years
Other Indirect access	0.8	6.6
Other direct access	3.7	9.9
Virgin Media	-0.9	-2.2
BT	-3.5	-14.2

Source: Ofcom / operators
Note: Excludes NTS calls

Figure 5.44

BT share of residential retail voice call volumes, by type



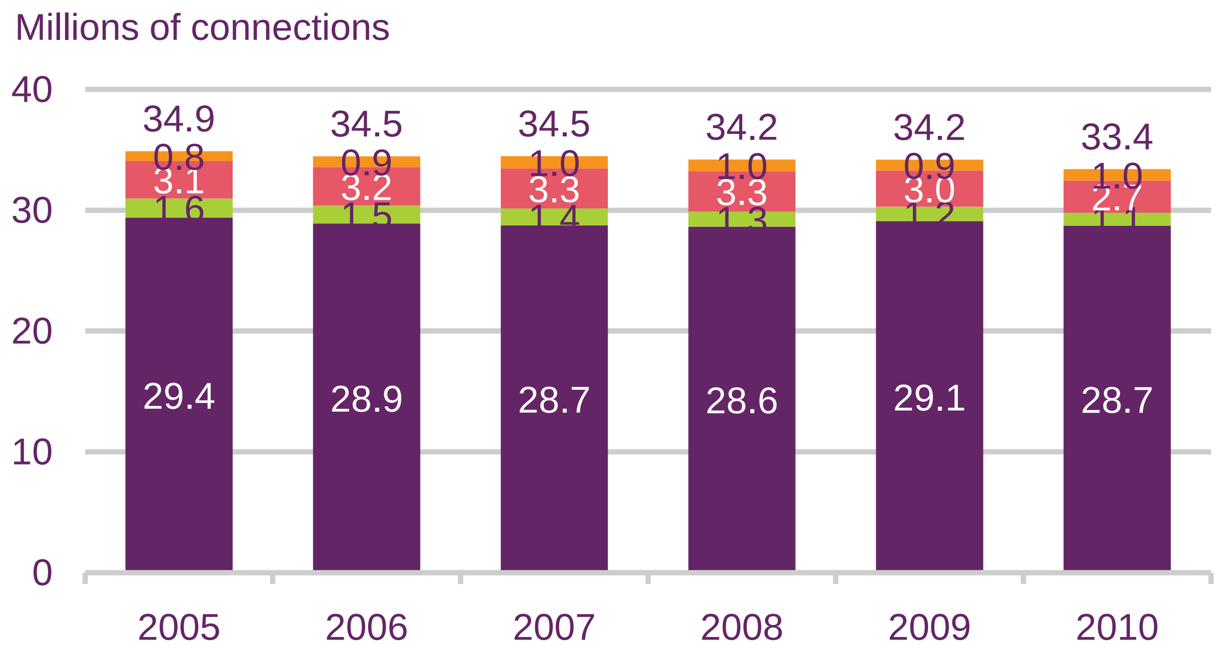
	%age point change	
	1 year	5 years
Calls to mobiles	-4.9	-19.8
UK geographic calls	-3.7	19.3
All voice calls	-3.8	-19.9
International calls	-3.3	-19.3

Source: Ofcom / operators

Note: Includes estimates where Ofcom does not receive data from operators; excludes NTS voice calls

Figure 5.45

Fixed-line connections by type



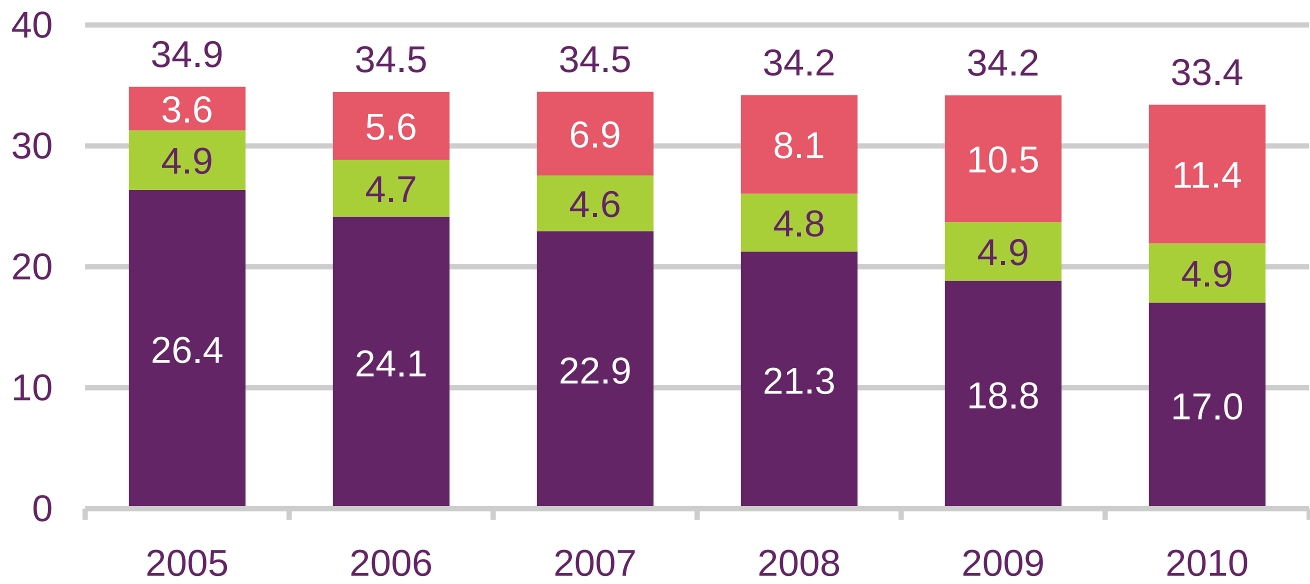
	2010 growth	5 year CAGR
Total	-2.3%	-0.9%
Other lines	6.8%	3.5%
ISDN30 channels	-11.1%	-3.1%
ISDN2 channels	-10.2%	-7.5%
Analogue lines	-1.3%	-0.5%

Source: Ofcom / operators

Figure 5.46

Fixed-line connections by operator

Millions of connections



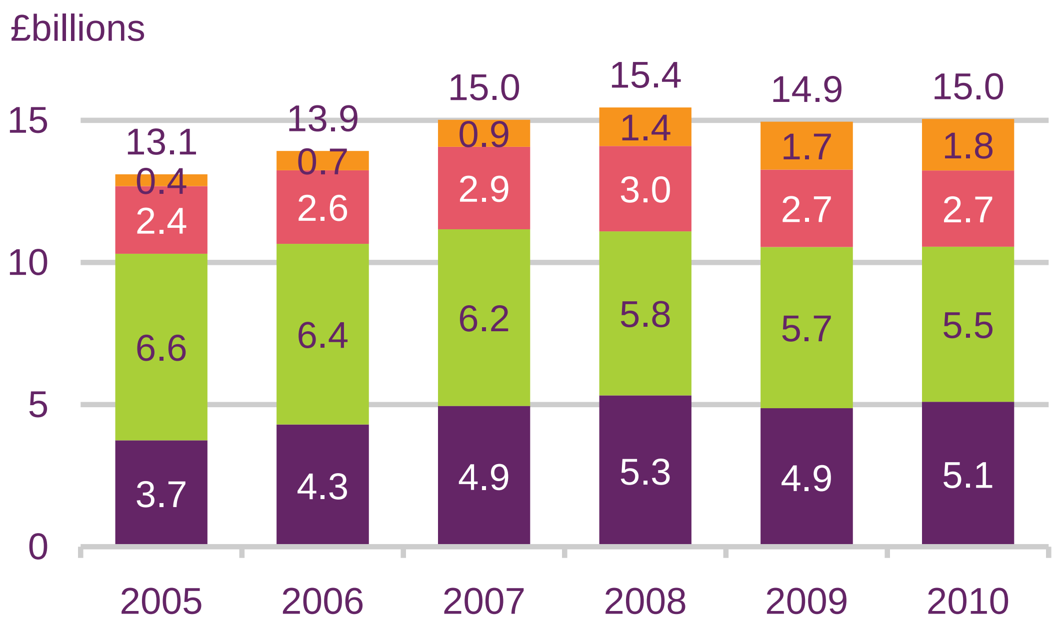
	2010 growth	5 year CAGR
Total	-2.3%	-0.9%
Other	9.3%	26.1%
Virgin Media	1.3%	+0.0%
BT	-9.7%	-8.4%

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Mobile services

Figure 5.47

Mobile telecoms retail revenues

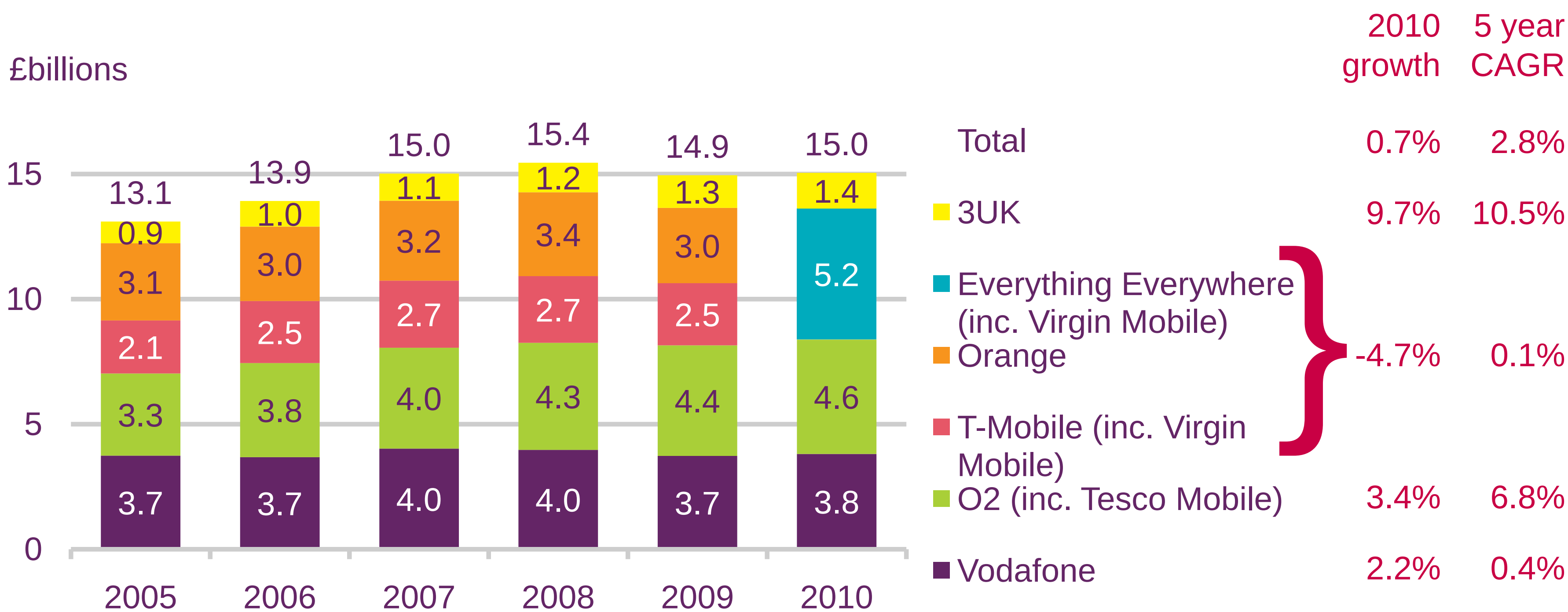


	2010 growth	5 year CAGR
Total	0.7%	2.8%
Mobile out of bundle data revenue	7.6%	34.0%
Mobile out of bundle messaging revenues	-1.5%	2.4%
Mobile out of bundle voice revenues	-3.7%	-3.6%
Mobile rental revenues excl out of bundle calls	4.6%	6.4%

Source: Ofcom / operators

Figure 5.48

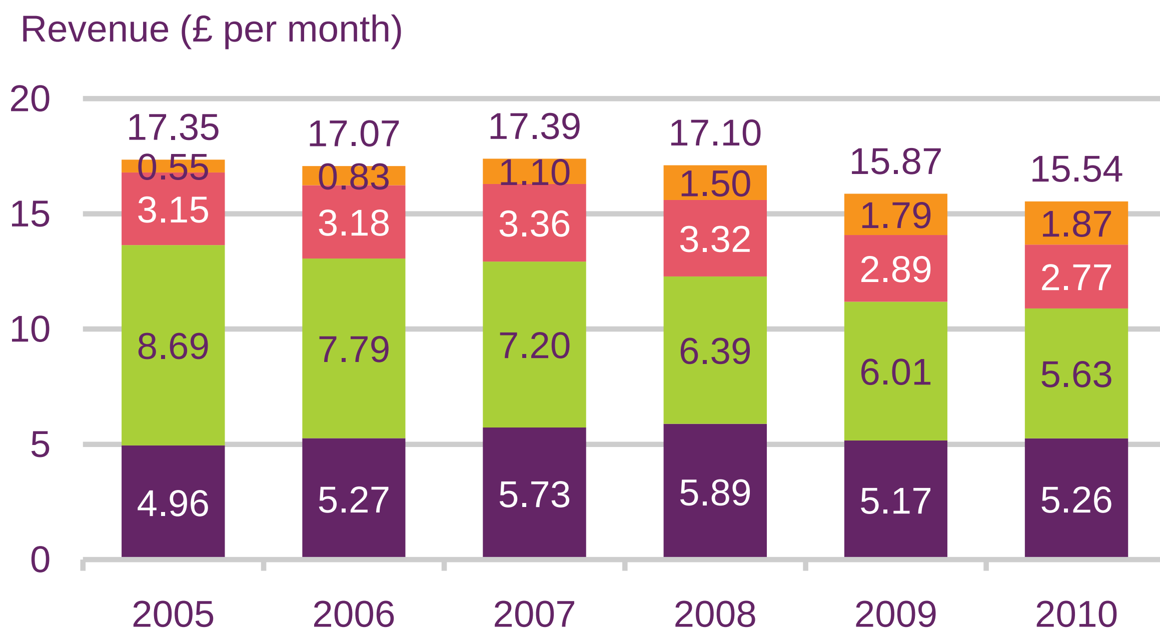
Mobile telephony retail revenues, by network



Source: Ofcom / operators

Figure 5.49

Average monthly retail voice revenue per mobile subscription



	2010 growth	5 year CAGR
Total	-2.1%	-2.2%
Mobile out of bundle data revenue	4.6%	27.5%
Mobile out of bundle messaging revenues	-4.2%	-2.5%
Mobile out of bundle voice revenues	-6.4%	-8.3%
Mobile rental revenues excl out of bundle calls	1.7%	1.2%

Source: Ofcom / operator data

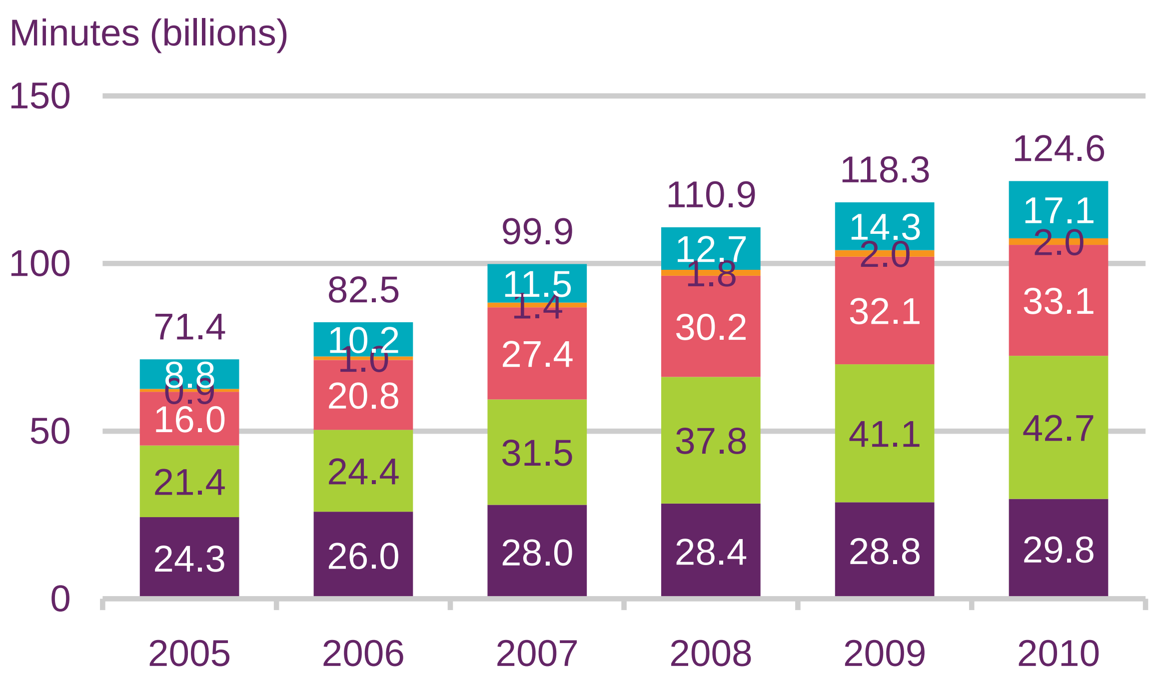
Figure 5.50

Average monthly revenue per mobile subscriber, by connection type

Source: Ofcom / operators

Figure 5.51

Mobile originating voice call volumes

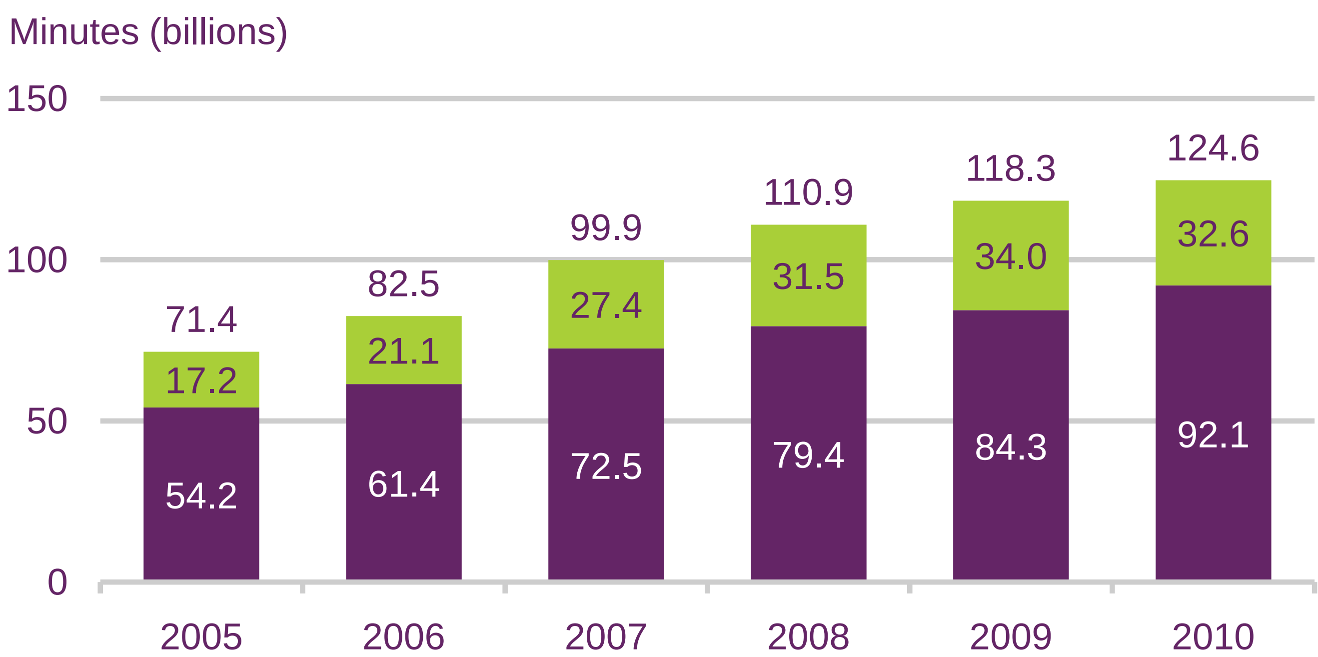


	2010 growth	5 year CAGR
Total	5.3%	11.8%
Other calls	19.7%	14.2%
International calls	0.0%	17.4%
Off-net mobile calls	3.0%	15.6%
On-net mobile call	3.9%	14.8%
UK geographic calls	3.3%	4.1%

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.52

Mobile voice call volumes, by subscription type

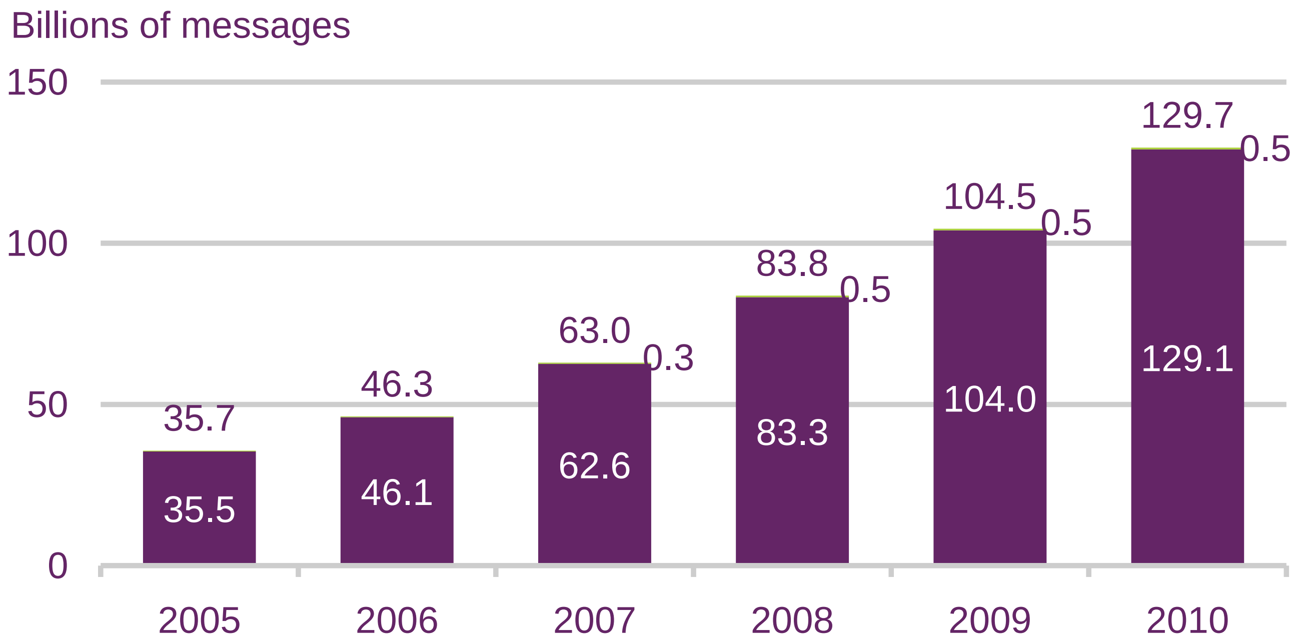


	2010 growth	5 year CAGR
Total	5.3%	11.8%
Pre-pay	-4.1%	13.6%
Contract	9.1%	11.2%

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.53

Mobile messaging volumes

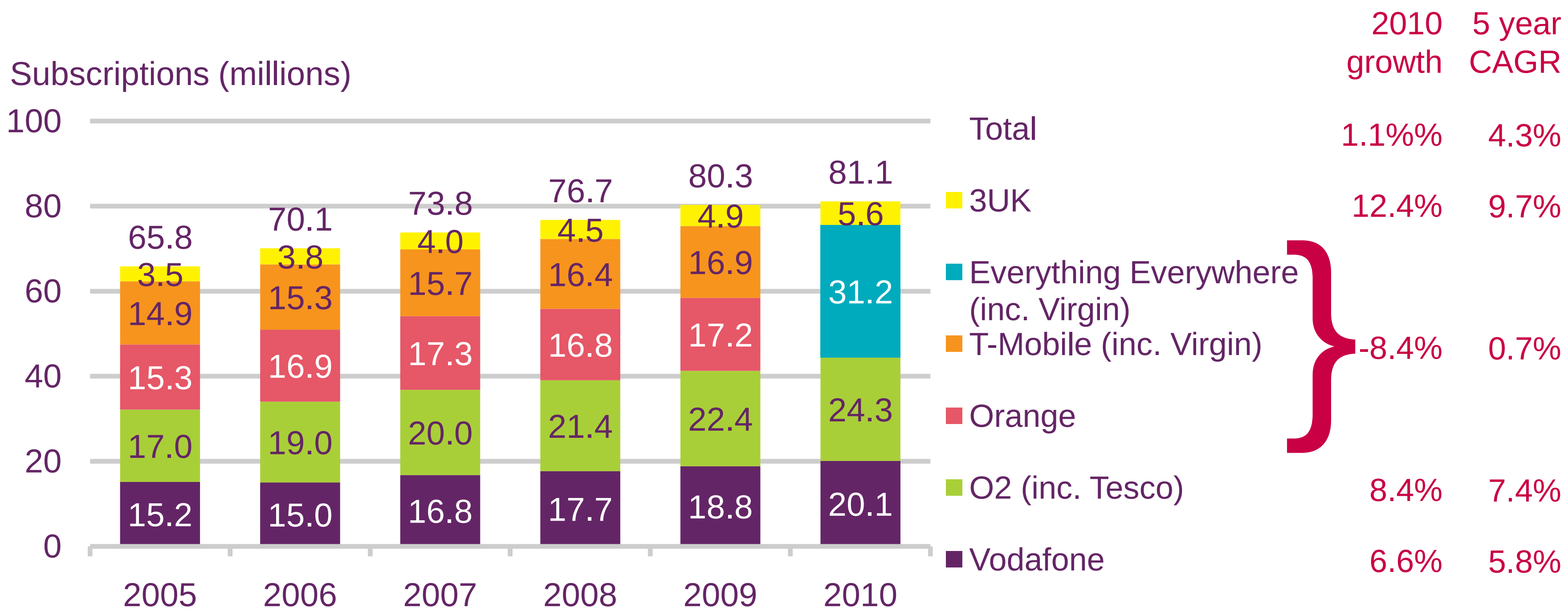


	2010 growth	5 year CAGR
Total	24.1%	29.4%
MMS	9.5%	17.1%
SMS	24.2%	29.5%

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.54

Mobile subscriptions, by network operator

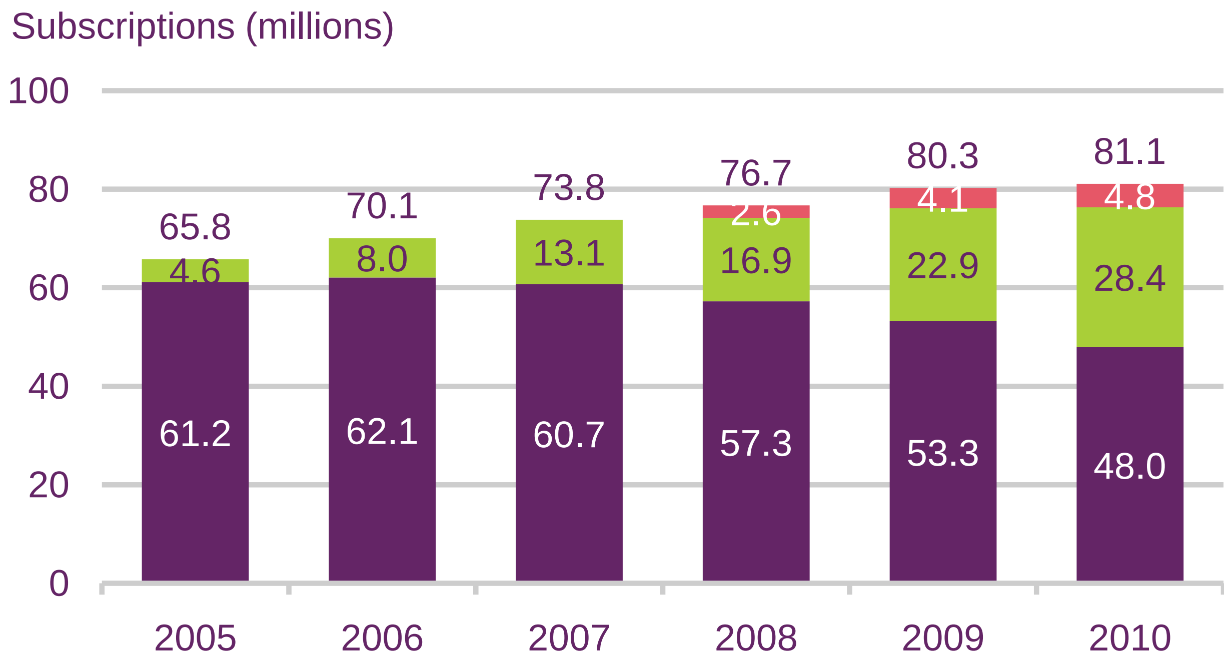


Source: Ofcom / operators

Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.55

Mobile subscriptions by technology

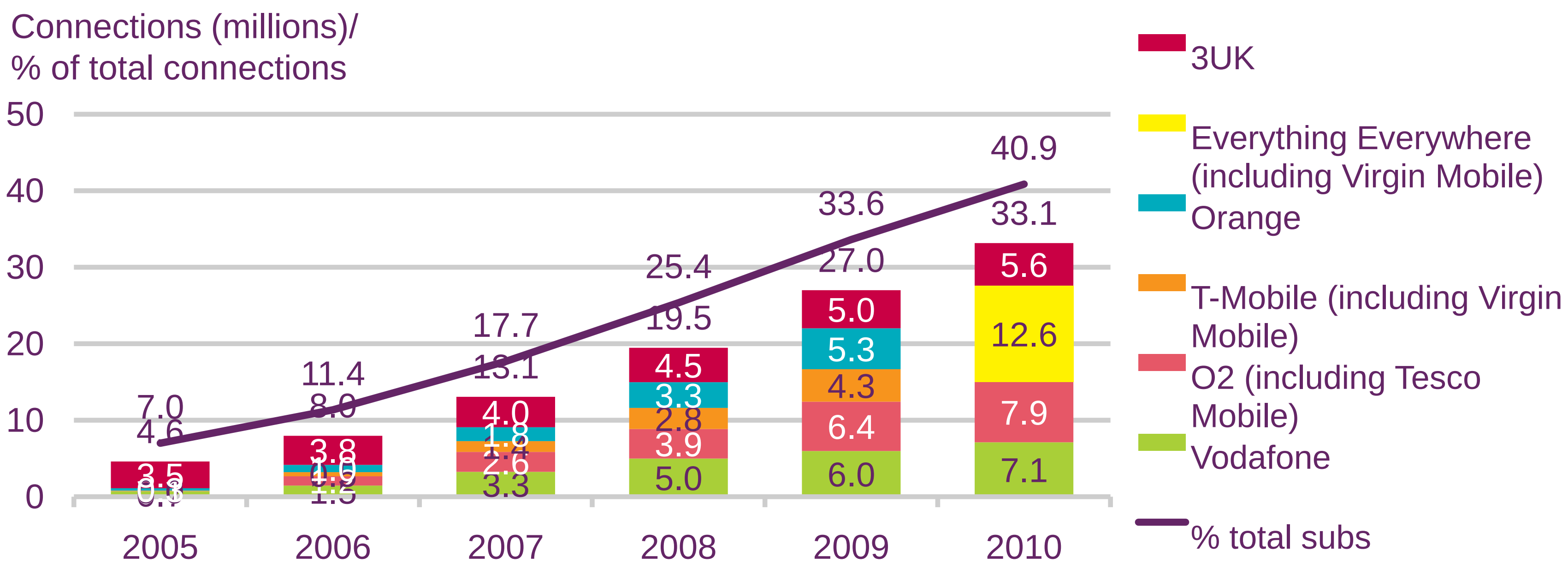


	2010 growth	5 year CAGR
Total	1.1%	4.3%
3G mobile broadband	16.8%	n/a
3G handset	23.9%	43.8%
2G	-9.9%	-4.8%

Source: Ofcom / operators

Figure 5.56

3G connections, by network operator

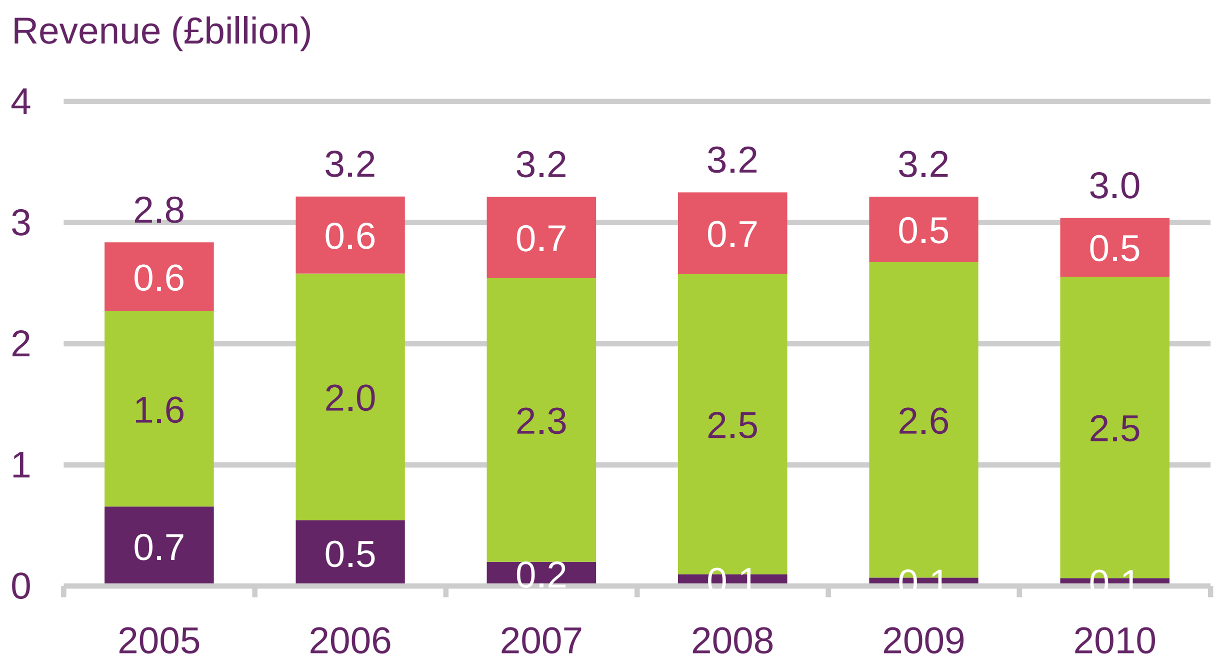


Source: Ofcom / operators
Note: 3G includes connections made via laptops/dongles as well as mobile handsets

Fixed data services

Figure 5.57

Estimated UK internet and broadband retail revenue

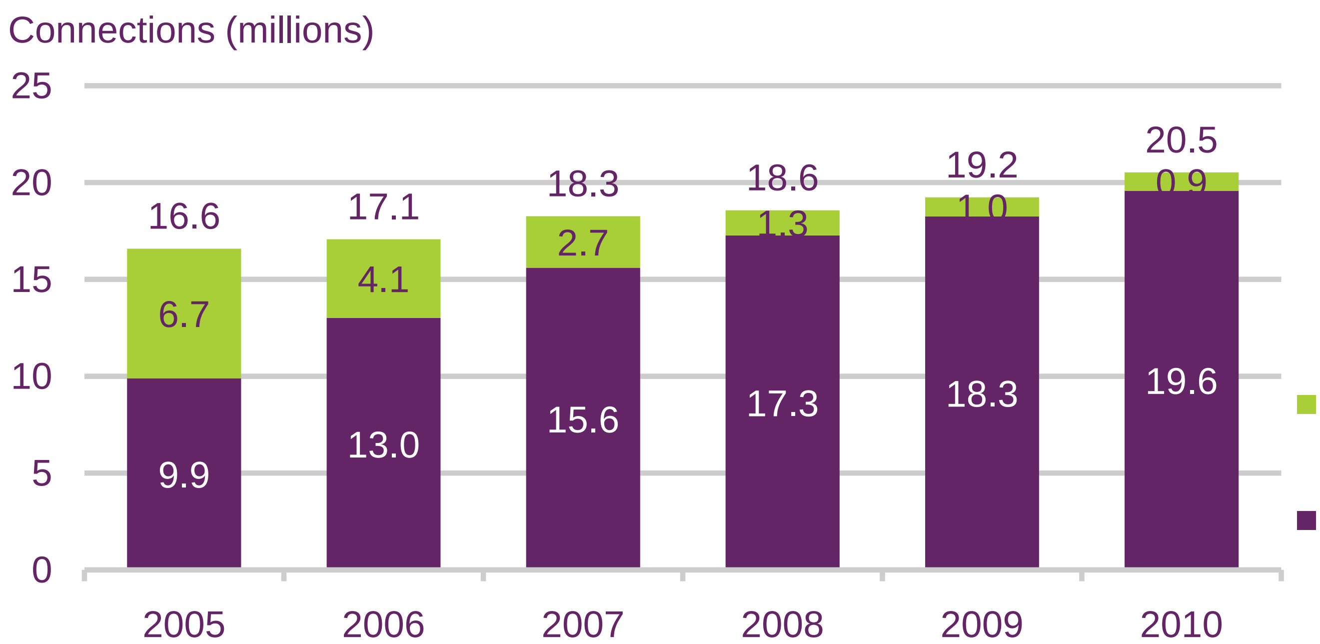


	2010 growth	5 year CAGR
Total	-5.7%	1.3%
SME	-10.3%	-3.1%
Residential broadband	-4.8%	9.0%
Residential narrowband	-5.7%	-36.9%

Source: Ofcom / operators

Figure 5.58

Estimated UK fixed internet connections

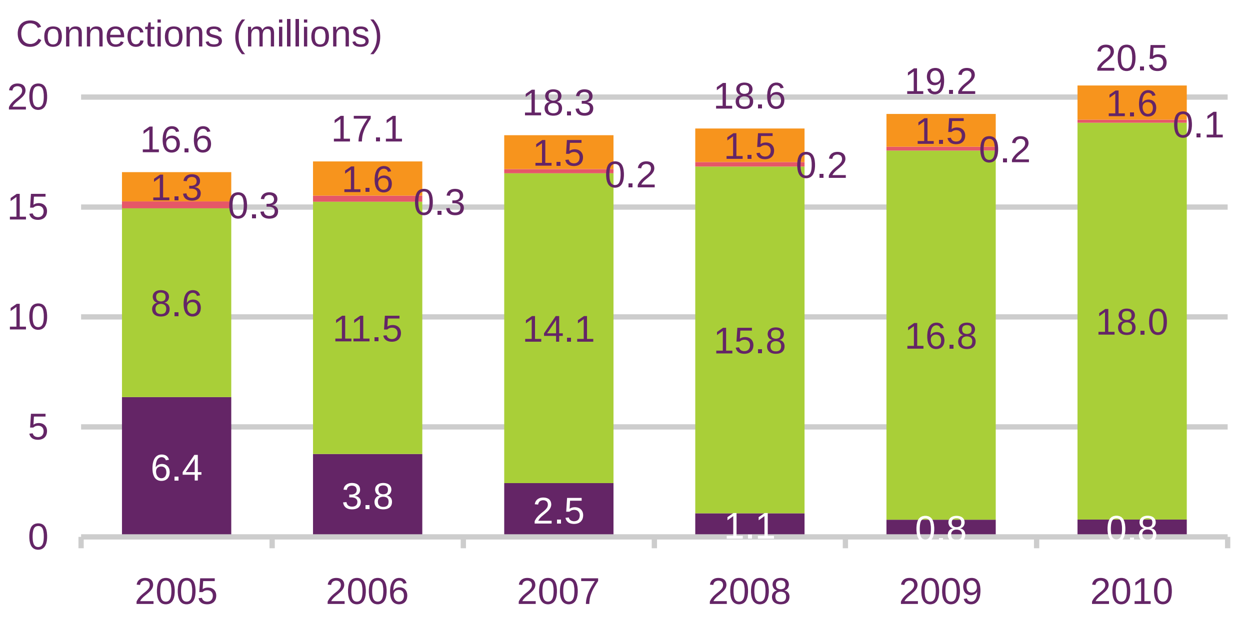


	2010 growth	5 year CAGR
Total	6.7%	4.4%
Narrowband	-3.1%	-32.4%
Fixed broadband	7.2%	14.6%

Source: Ofcom / operators

Figure 5.59

UK residential and small business fixed internet connections

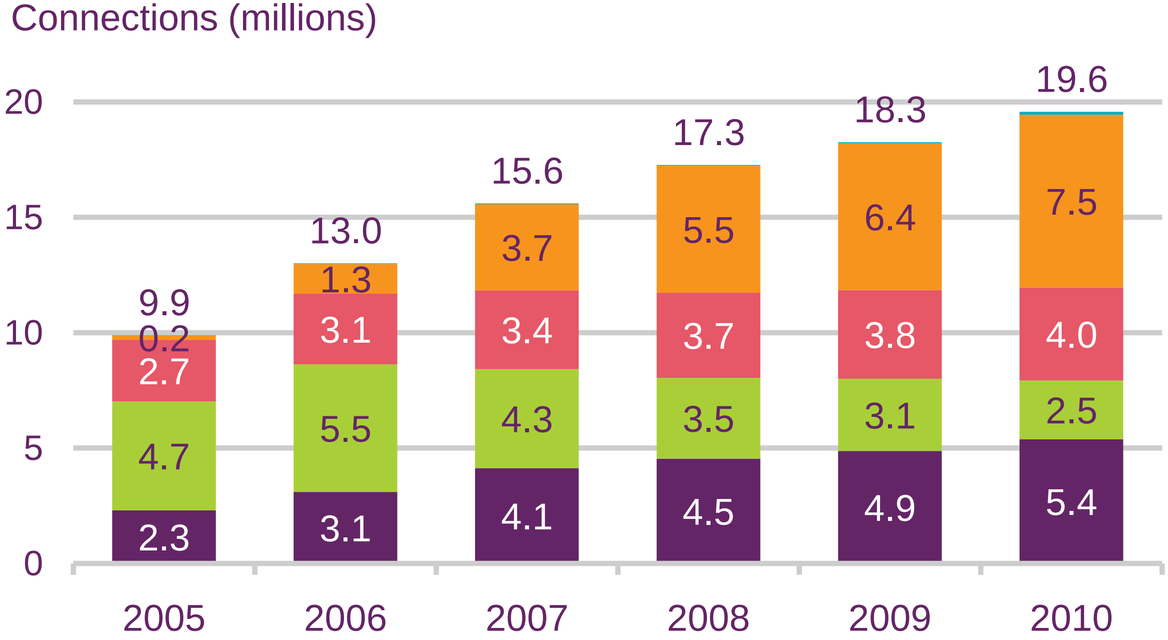


	2010 growth	5 year CAGR
Total	6.7%	4.4%
SME broadband	4.1%	3.2%
SME narrowband	-22.4%	-15.3%
Residential broadband	7.5%	16.0%
Residential narrowband	1.2%	-34.0%

Source: Ofcom / operators
Note: SME broadband includes some connections over leased lines

Figure 5.60

UK residential and small business fixed broadband connections

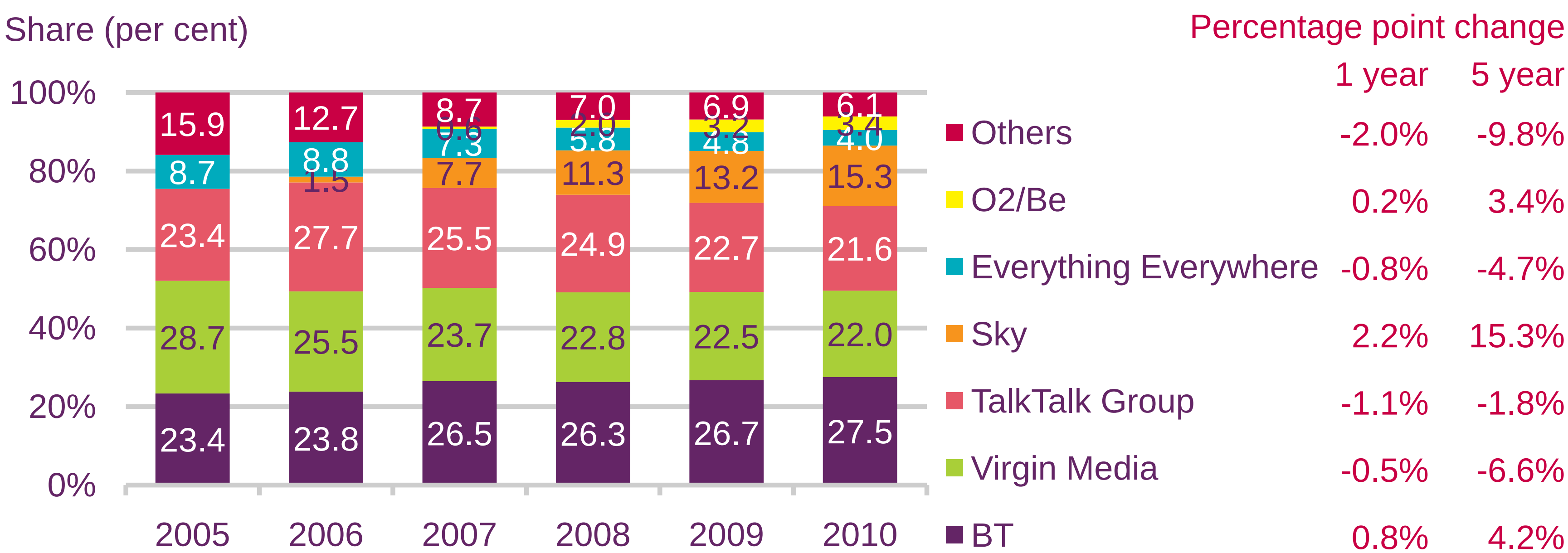


	2010 growth	5 year CAGR
Total	7.2%	14.6%
Other	177.7%	58.4%
LLU DSL	17.7%	108.1%
Cable modem	4.8%	8.6%
Other non-LLU DSL	-18.6%	-11.6%
BT retail DSL	10.5%	18.4%

Source: Ofcom / operators
Note: Excludes connections made over cellular networks

Figure 5.61

Fixed broadband connection market shares

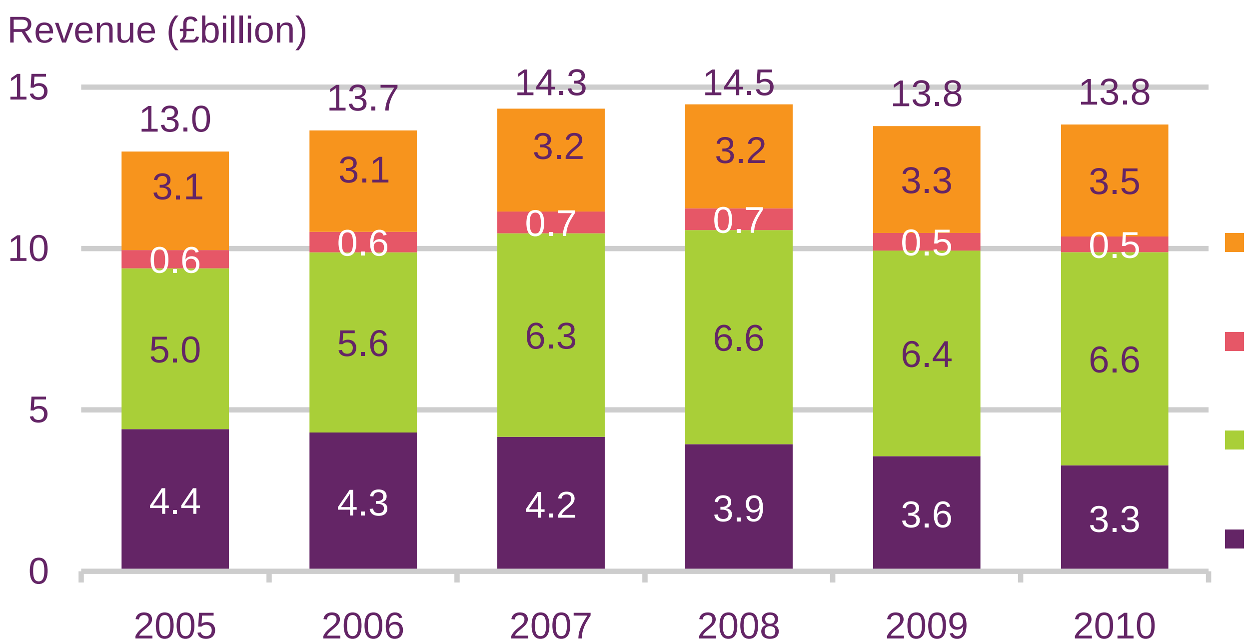


Source: Ofcom / operators
Note: Where providers have merged historic data is included under the ISP it was part of at the end of 2010; excludes connections made over cellular networks

Business markets

Figure 5.62

UK business telecoms services revenue

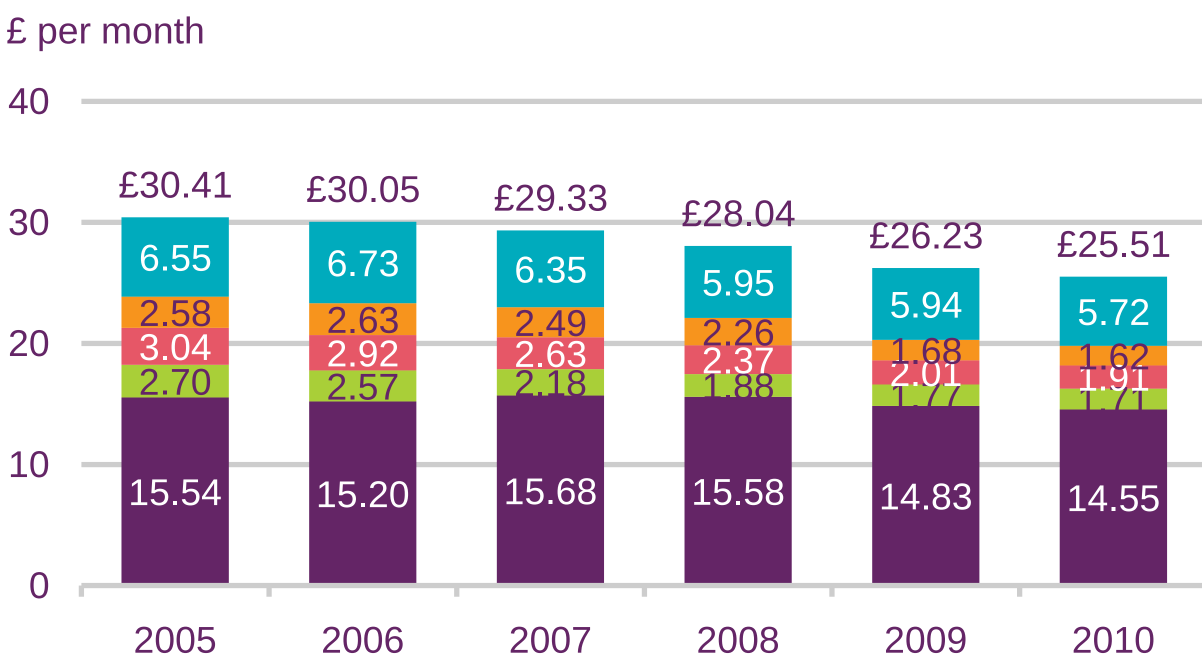


	2010 growth	5 year CAGR
Total	0.4%	1.3%
Corporate data services	4.7%	2.6%
Non-corporate internet	-10.3%	-3.1%
Mobile	3.7%	5.8%
Fixed voice	-8.0%	-5.7%

Source: Ofcom / operators / IDC

Figure 5.63

Average monthly voice revenue per business fixed line

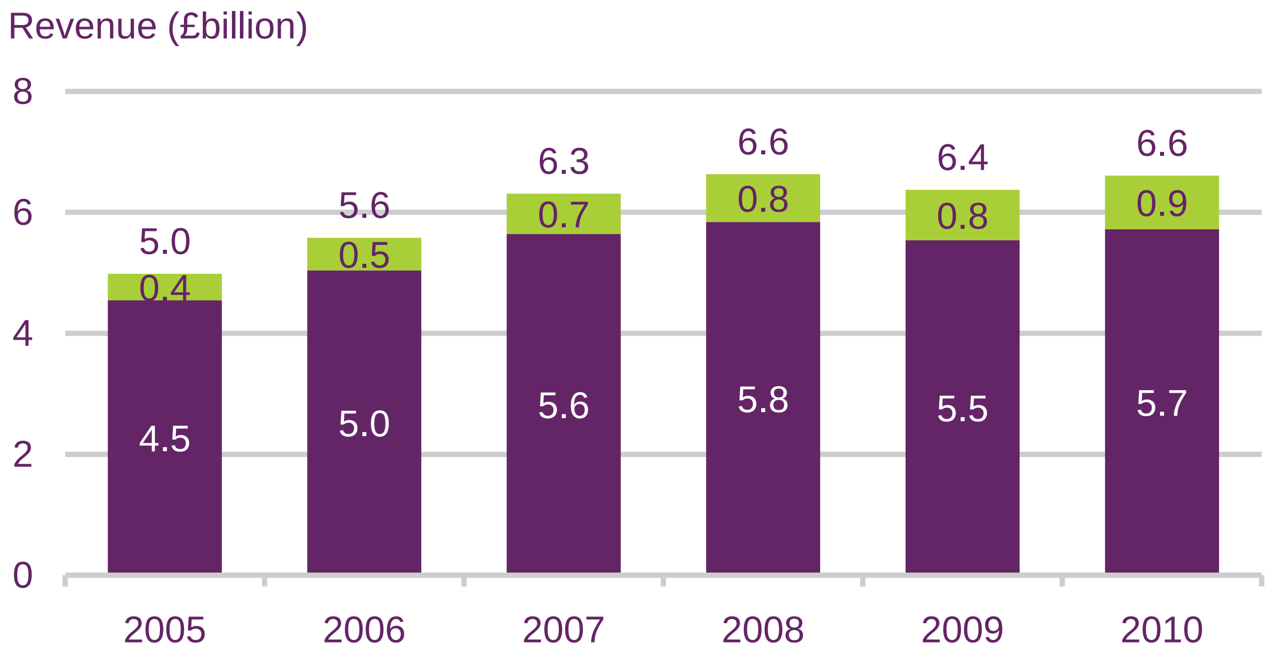


	2010 growth	5 year CAGR
Total	-2.7%	-3.5%
Calls to mobiles	-3.7%	-2.7%
International	-3.6%	-8.9%
National	-4.7%	-8.9%
Local	-3.2%	-8.7%
Line rental	-1.9%	-1.3%

Source: Ofcom / operators
Note: Excludes revenues from non-geographic voice calls

Figure 5.64

Breakdown of business mobile revenue

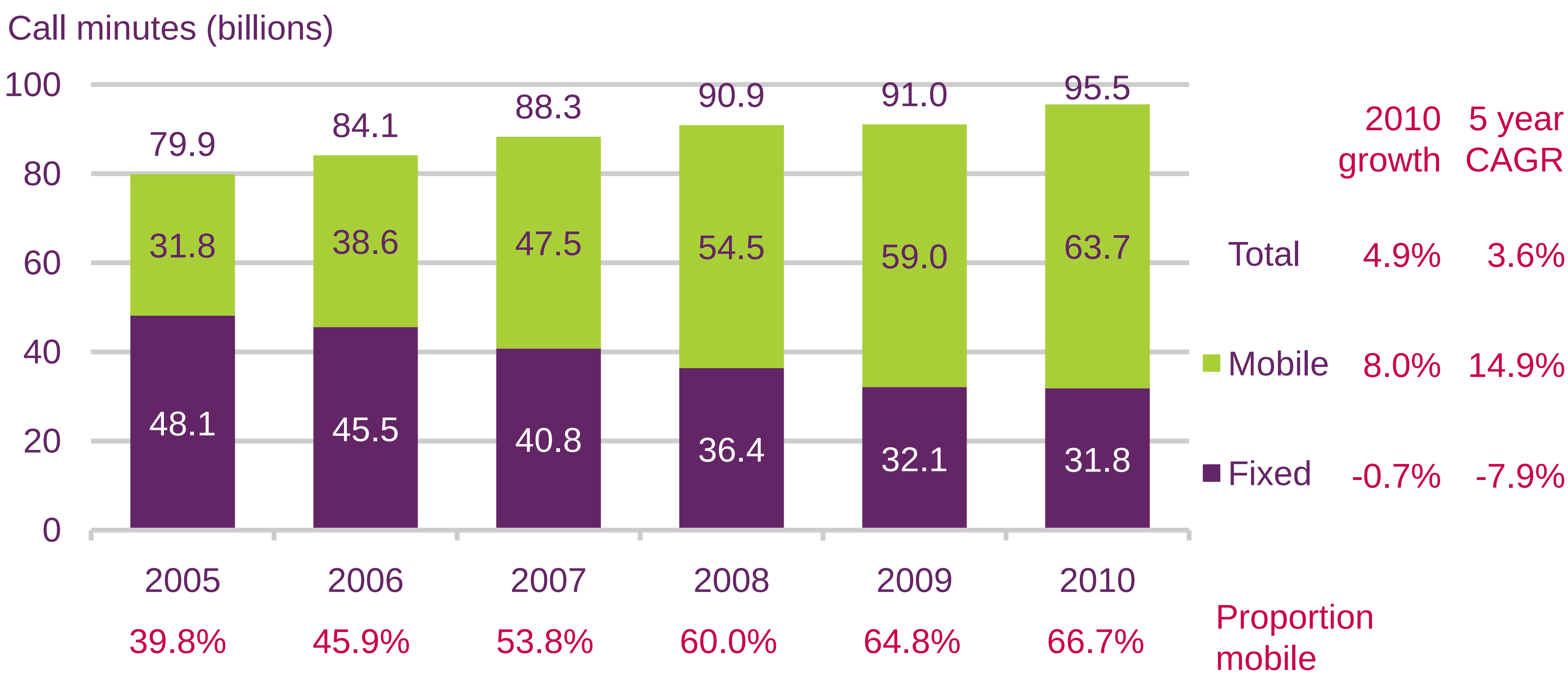


	2010 growth	5 year CAGR
Total	3.7%	5.8%
Data (inc. SMS)	6.3%	15.1%
Voice calls and rental	3.3%	4.7%

Source: Ofcom / operators

Figure 5.65

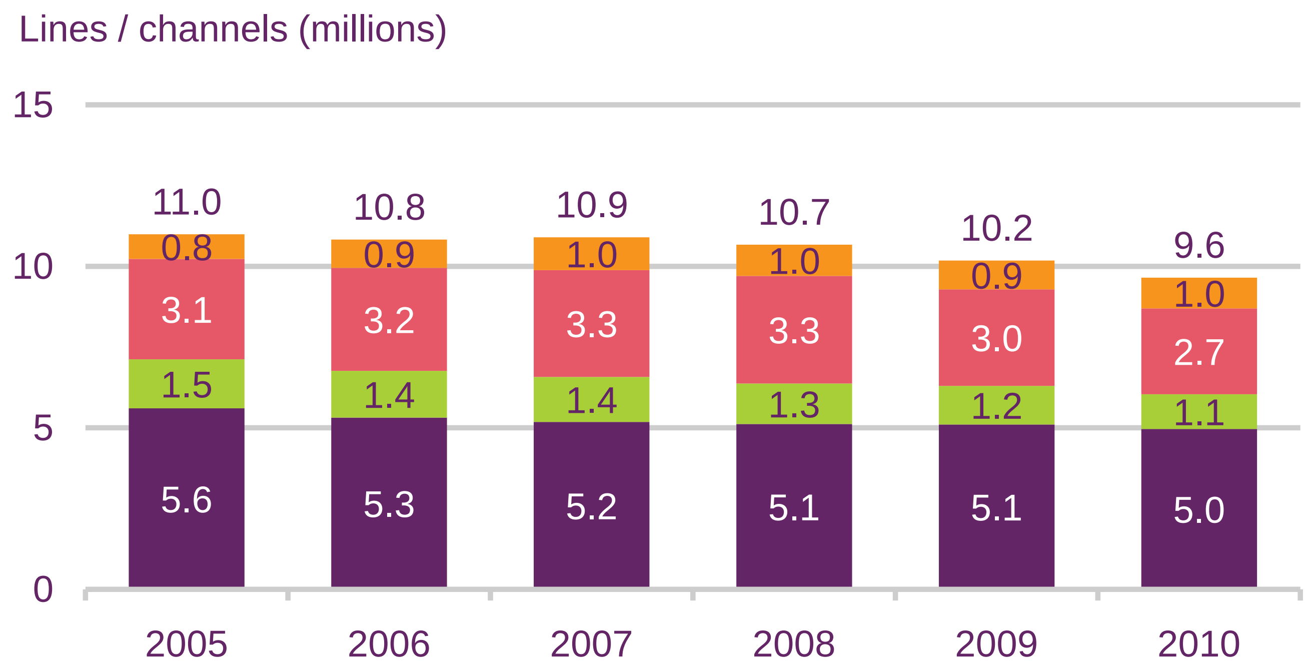
Business voice call volumes



Source: Ofcom / operators
Note: Fixed data excludes non-geographic voice call volumes

Figure 5.66

Business fixed lines, by type



	2010 growth	5 year CAGR
Total	-5.2%	-2.6%
Other lines	7.0%	4.6%
ISDN30 channels	-11.1%	-3.1%
ISDN2 channels	-10.2%	-6.6%
PSTN lines	-2.7%	-2.4%

Source: Ofcom / operators

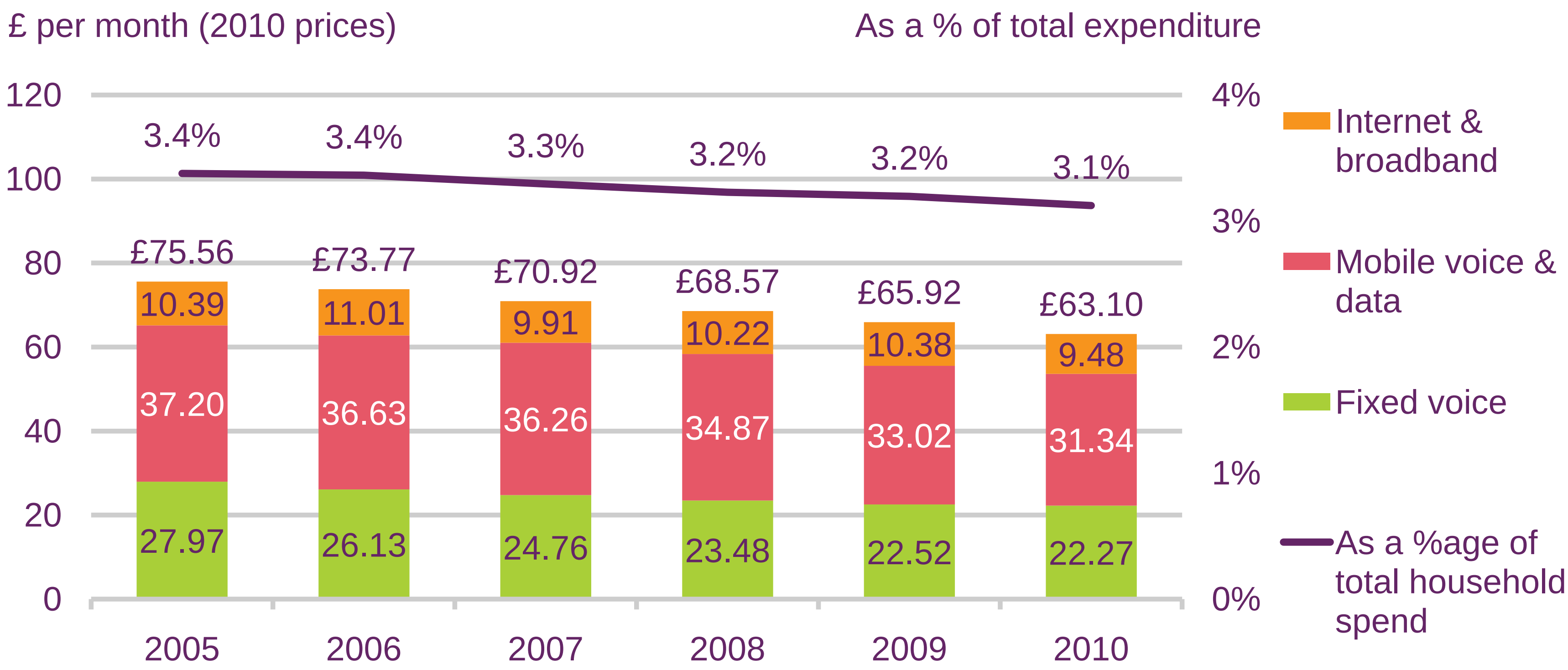
UK Communications Market 2011: telecoms charts

- Key market developments
- The telecoms industry
- The telecoms user

Residential sector overview

Figure 5.67

Average household spend on telecoms services

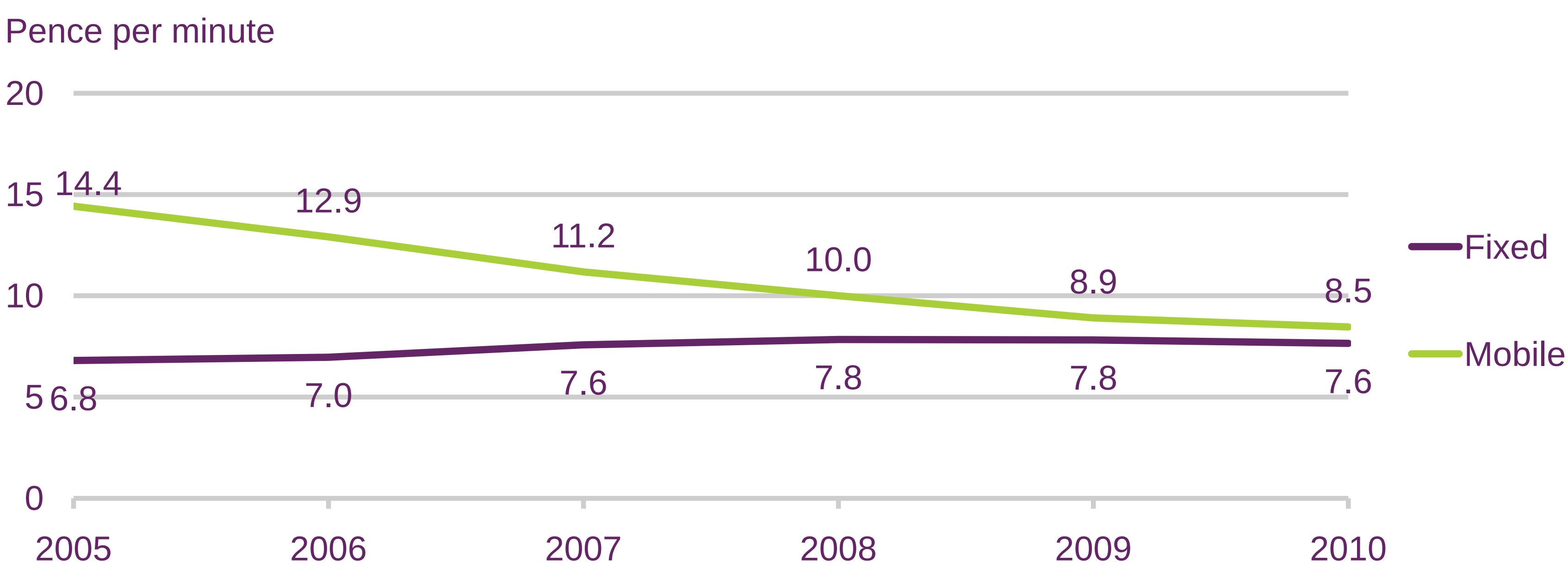


Source: Ofcom / operators / ONS

Notes: Includes estimates where Ofcom does not receive data from operators; adjusted to RPI; includes VAT

Figure 5.68

Comparison of average fixed and mobile voice call charges

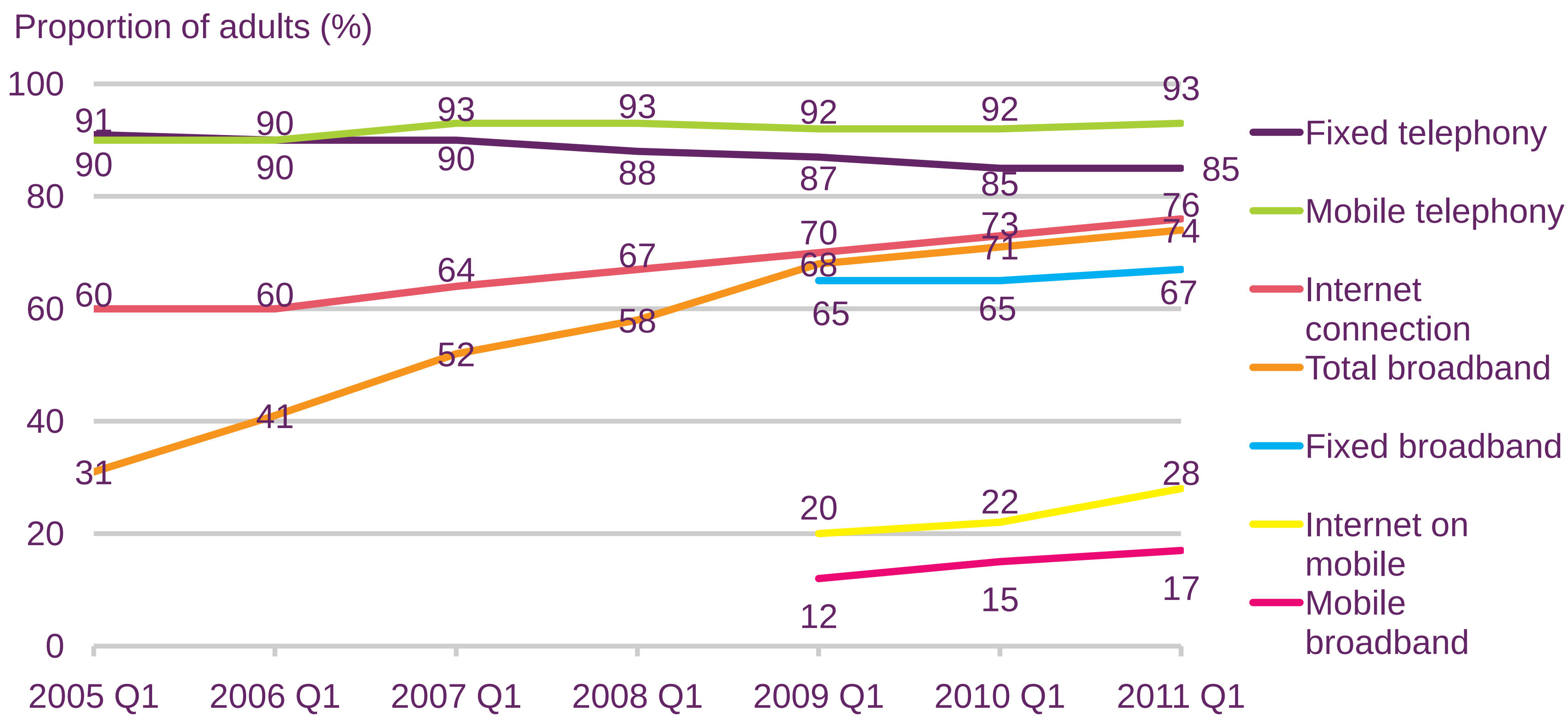


Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; fixed calculation excludes non-geographic voice calls

Figure 5.69

Household penetration of key telecom technologies

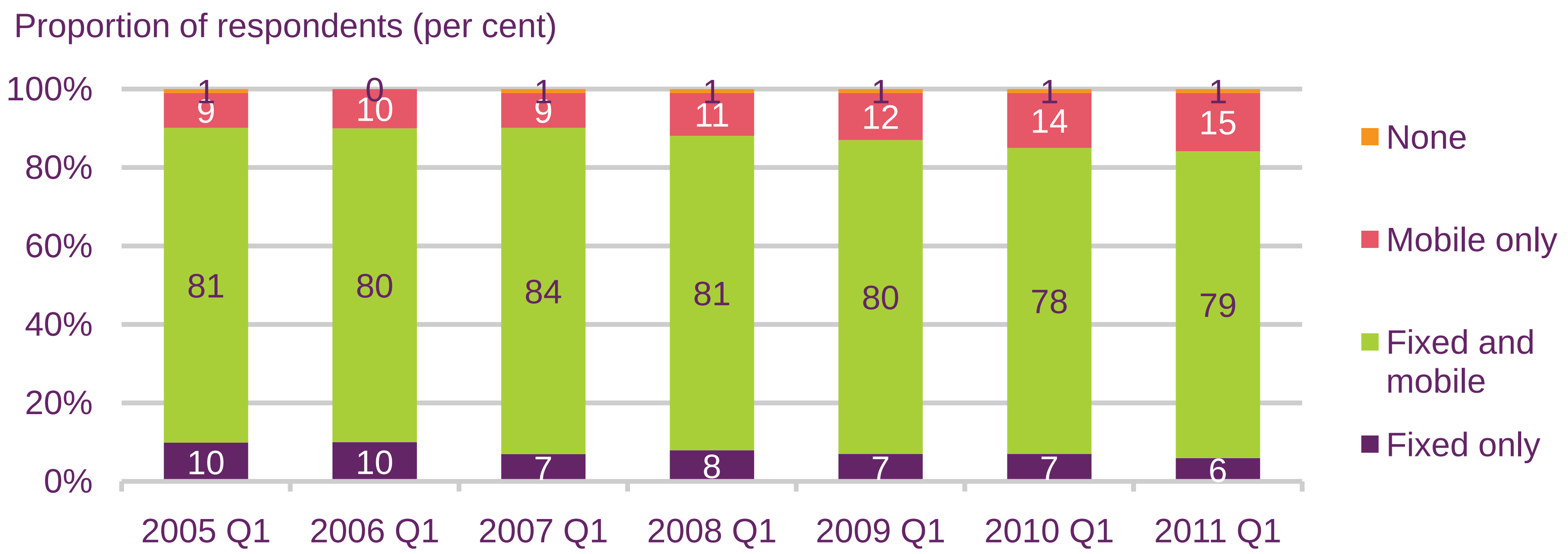
QE1: Does your household have a PC or laptop computer? / QE2: Do you or does anyone in your household have access to the Internet/Worldwide Web at HOME (via any device, e.g. PC, mobile phone etc)? / QE6: Which of these methods does your household use to connect to the Internet at home?



Source: Ofcom technology tracker, Q1 2011.
Base: All adults aged 16+ (n=3474)

Figure 5.70

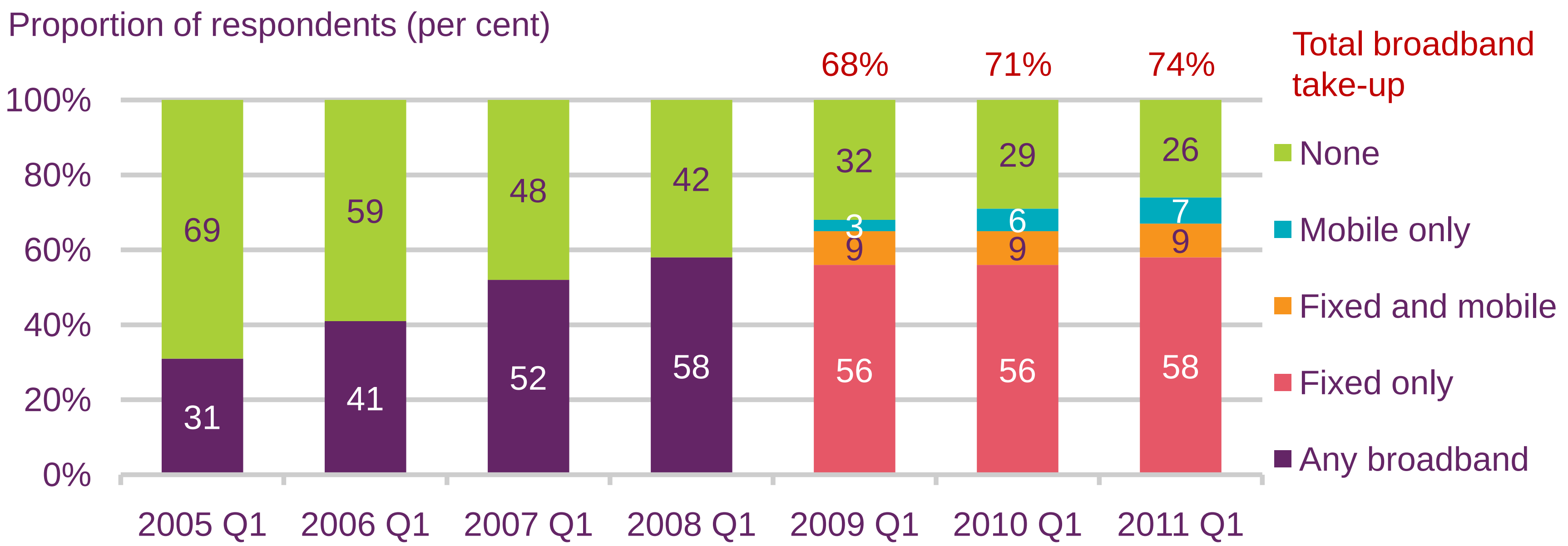
Household penetration of fixed and mobile telephony



Source: Ofcom research
Base: All adults aged 16+

Figure 5.71

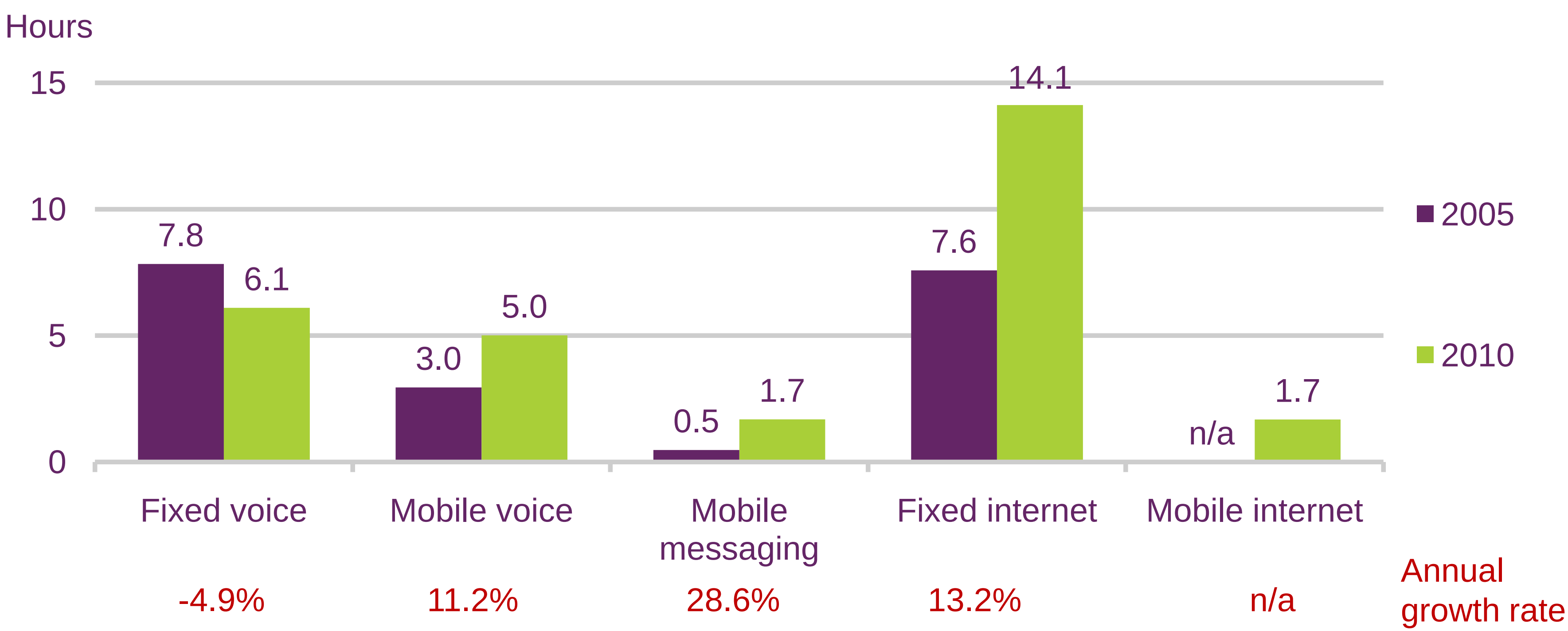
Household penetration of fixed and mobile broadband



Source: Ofcom research
Base: All adults aged 16+

Figure 5.72

Average monthly time per person spent using telecoms services



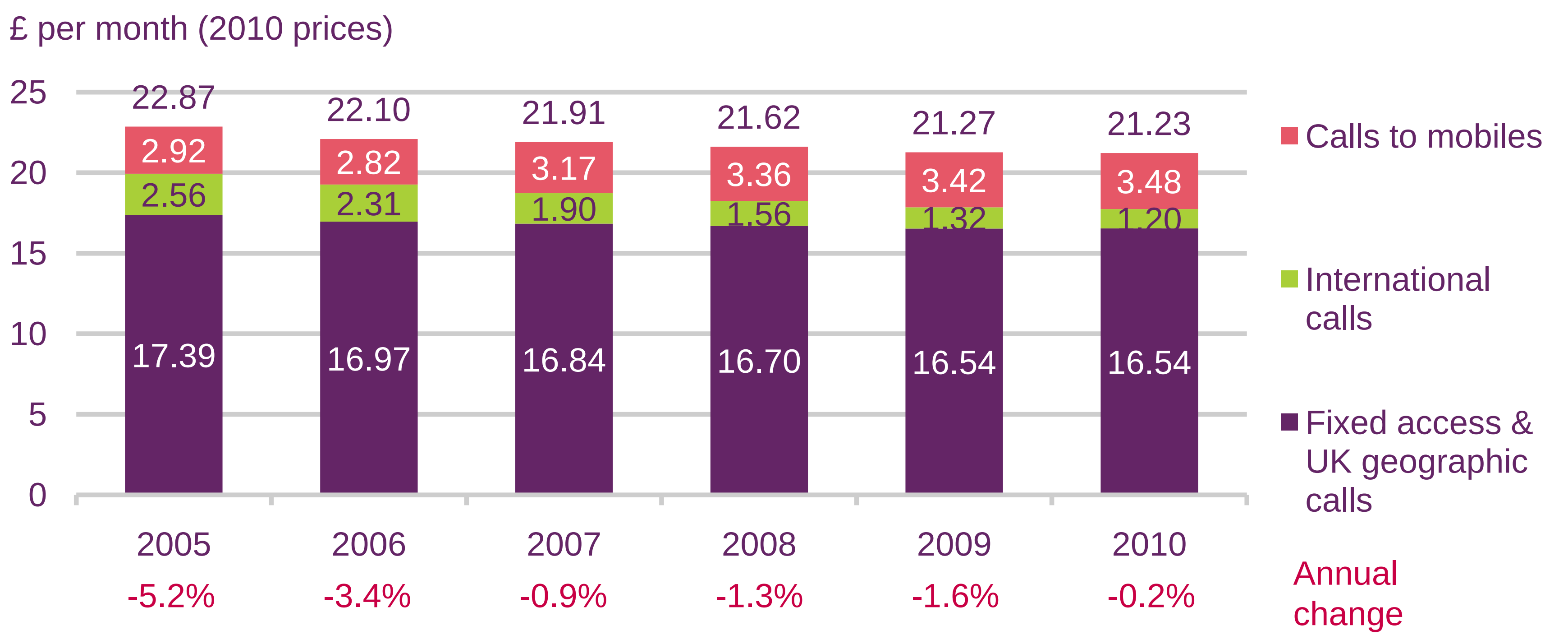
Source: Ofcom / operators / Nielsen / UKOM/ Comscore

Note: Includes estimates where Ofcom does not receive data from operators; fixed voice call figures include NTS voice calls; mobile messaging figures assume an average of 35 seconds per message; Ofcom estimate of fixed internet use per person is based on Nielsen's data on the average monthly time spent online at home including the use of applications across the online population only; Nielsen's methodology changed in October 2006 so comparisons before this period should be treated with caution; fixed internet use figures are for May of the following year.

Fixed line services

Figure 5.73

Cost of a basket of residential fixed voice services

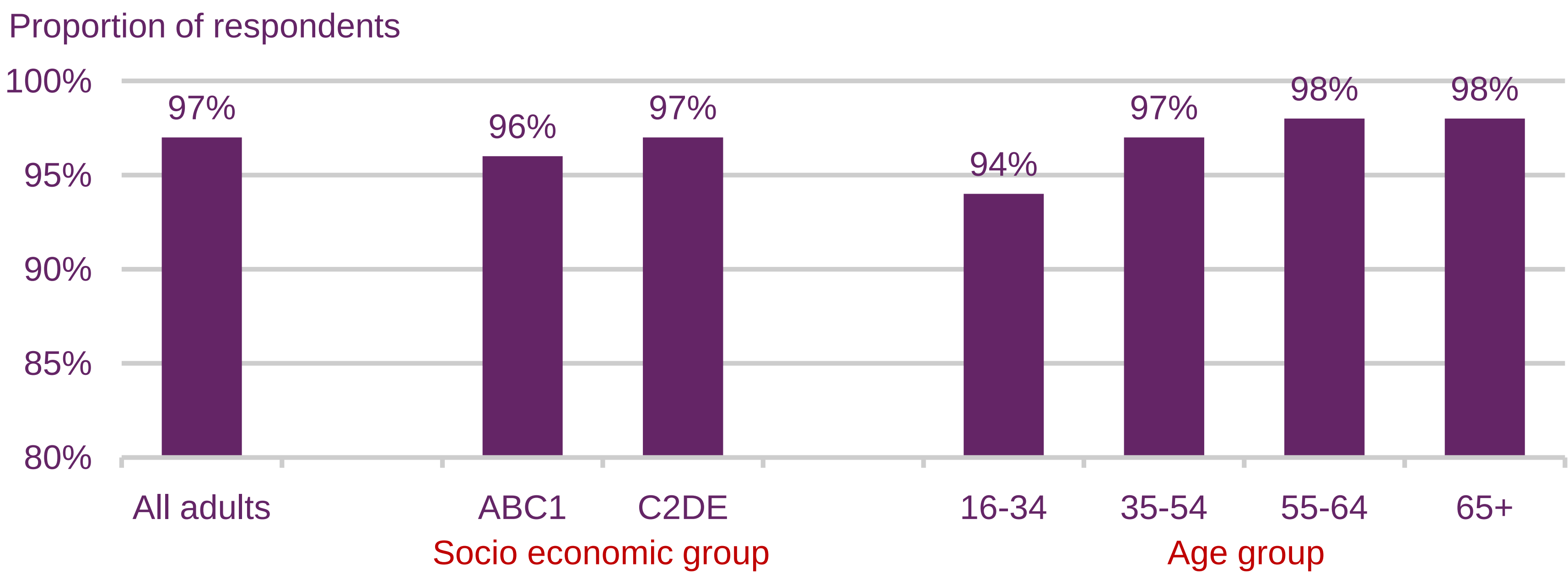


Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; excludes non-geographic voice calls; adjusted for RPI; includes VAT

Figure 5.74

Use of landline for voice communications services within the home

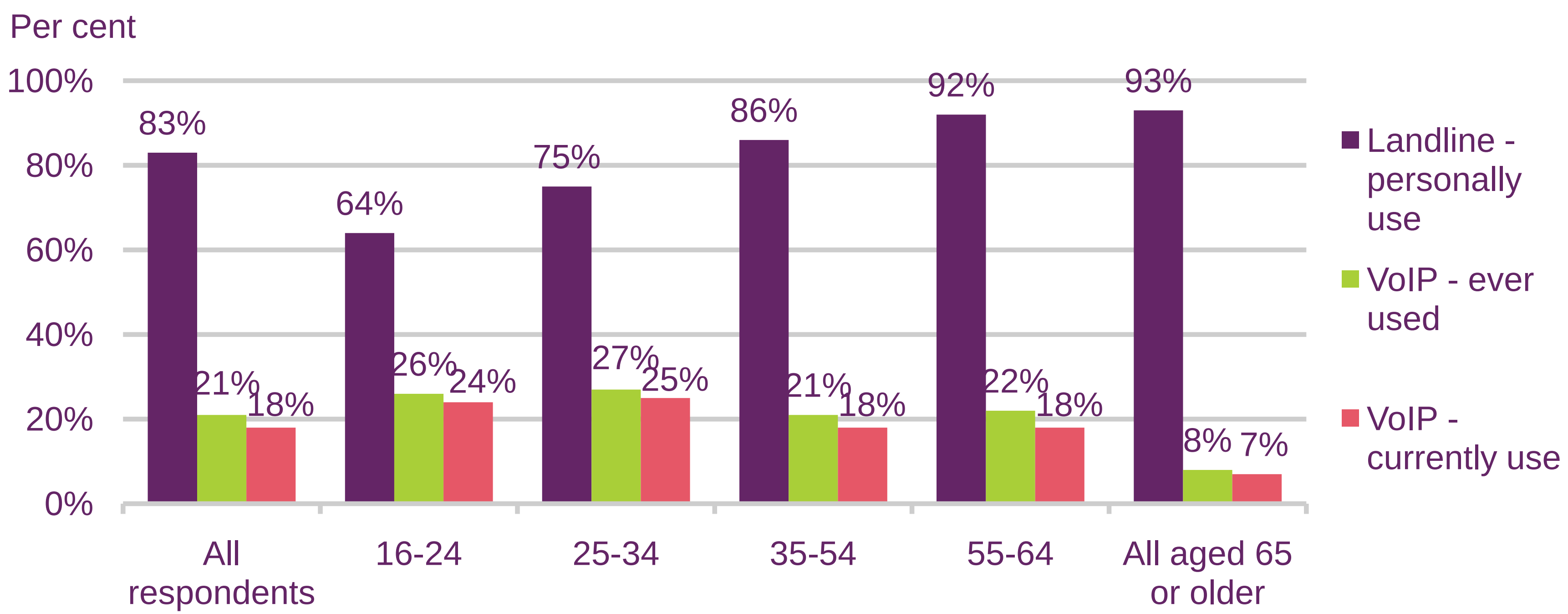
QC2A. Do you ever use this landline phone at home yourself to make and/or receive calls, for internet access or both?



Source: Ofcom research, Quarter 1 2011
Base: All adults aged 16+ with a landline phone at homes (n = 3474 All, 1798 ABC1, 801 C2DE, 537 16-34s, 680 35-54s, 312 55-64s, 381 65+)

Figure 5.75

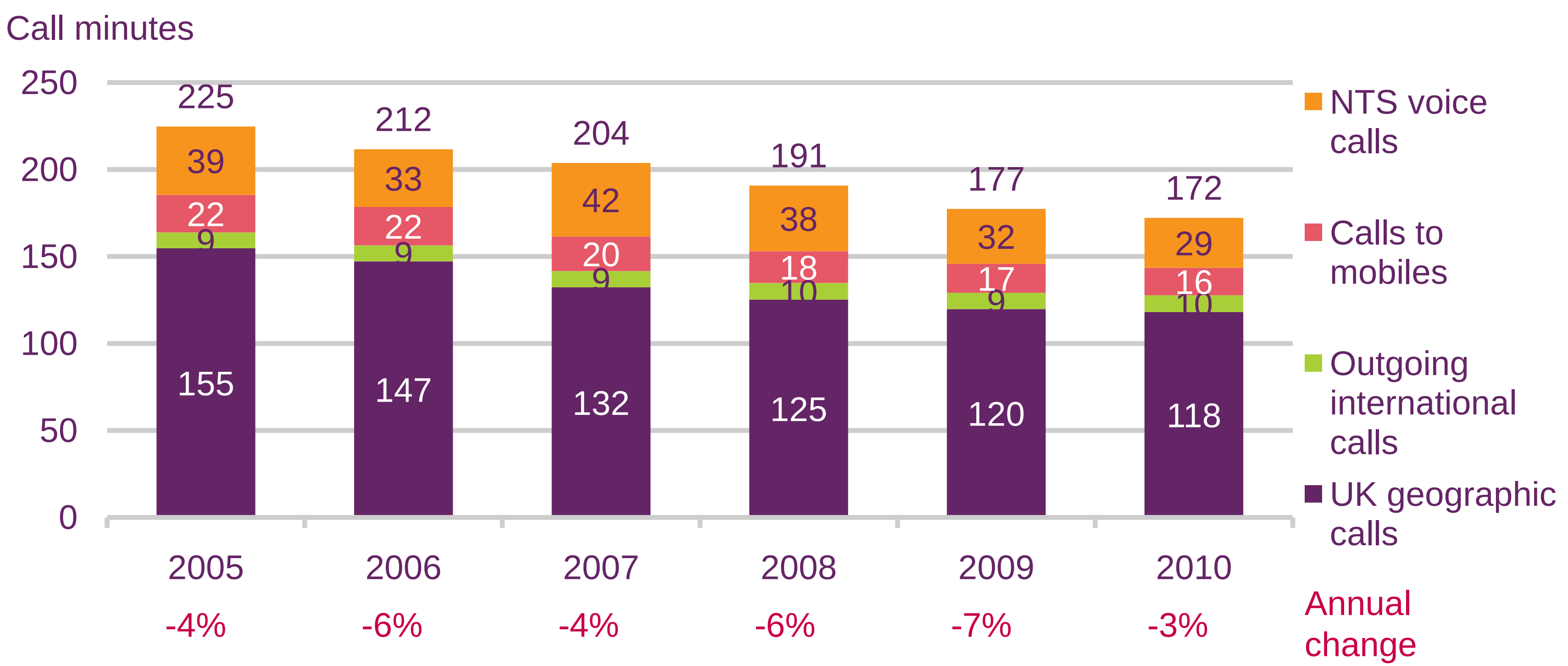
Use of fixed voice communication services in the home



Source: Ofcom research Q1 2011
Base = All respondent s: 3474; 16-24s = 460; 25-34s = 540; 35-54s = 1204; 55-64 = 535; 65+ = 735

Figure 5.76

Average monthly outbound fixed voice call volumes per person



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators

Figure 5.77

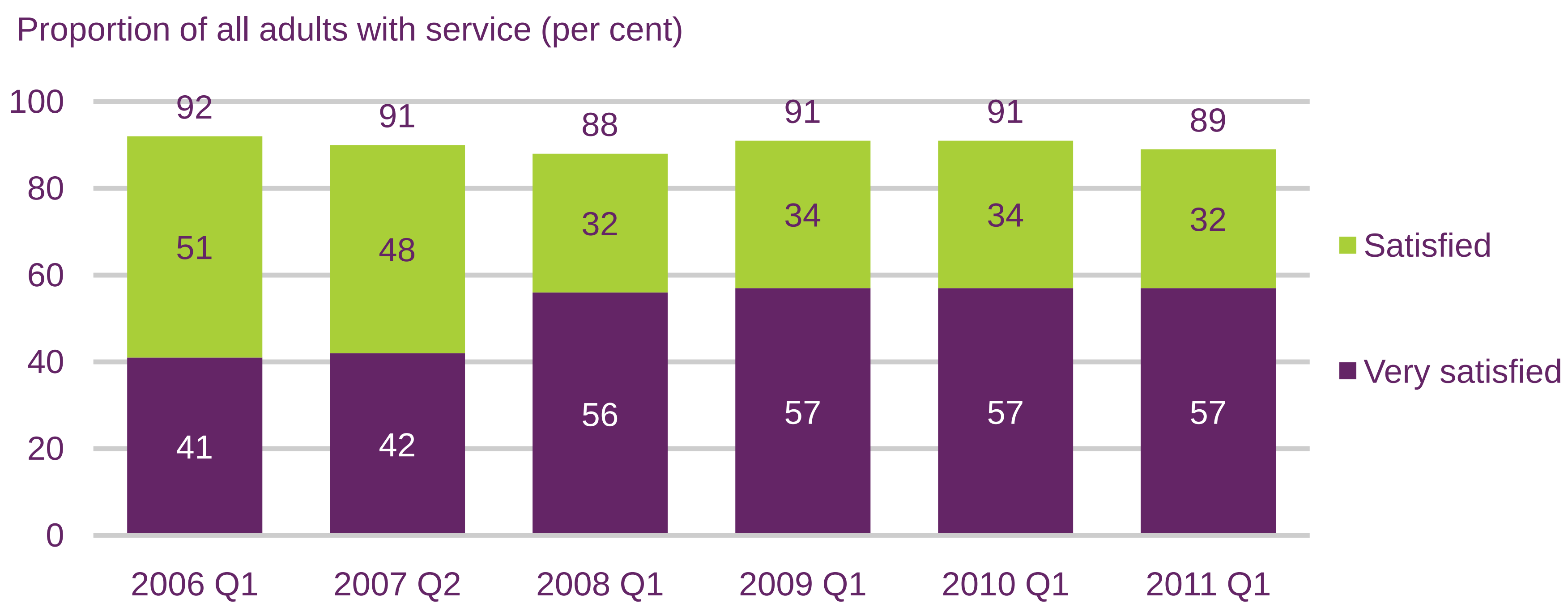
Fixed voice options tariffs 2010 and 2011

Provider	2010			2011		
	Fixed phone only	with fixed calls off-peak	with fixed calls anytime	Fixed phone only	with fixed calls off-peak	with fixed calls anytime
BT	-	£11.54*	£16.54	-	£13.60[1]	£18.60
O2	-	-	-	£7.66	£9.70	£12.77[2]
Orange	£10.25	-	-	£11.50	-	-
Sky	-	£11.00	£16.00	-	£11.25	£16.25
TalkTalk	£11.49	£14.44	£16.98	£12.30	£15.91	£18.51[3]
Virgin Media	£11.99	£15.44	£19.94	£12.99[4]	£16.99[4]	£20.99[3,4]

Source: Pure Pricing UK Broadband Pricing Factbook, March 2010 and March 2011
Notes: All tariffs exclude activation charges and promotional discounts and include VAT; all tariffs are the lowest price available, contract lengths vary. [1]Off-peak only applies to weekends [2]Also includes 600 minutes to selected international destinations, + 600 minutes to 0845/0870 numbers (O2 only). [3] includes calls to Talktalk/Virgin mobile numbers. [4] Set to increase by £1.00 on 1 August 2011.

Figure 5.78

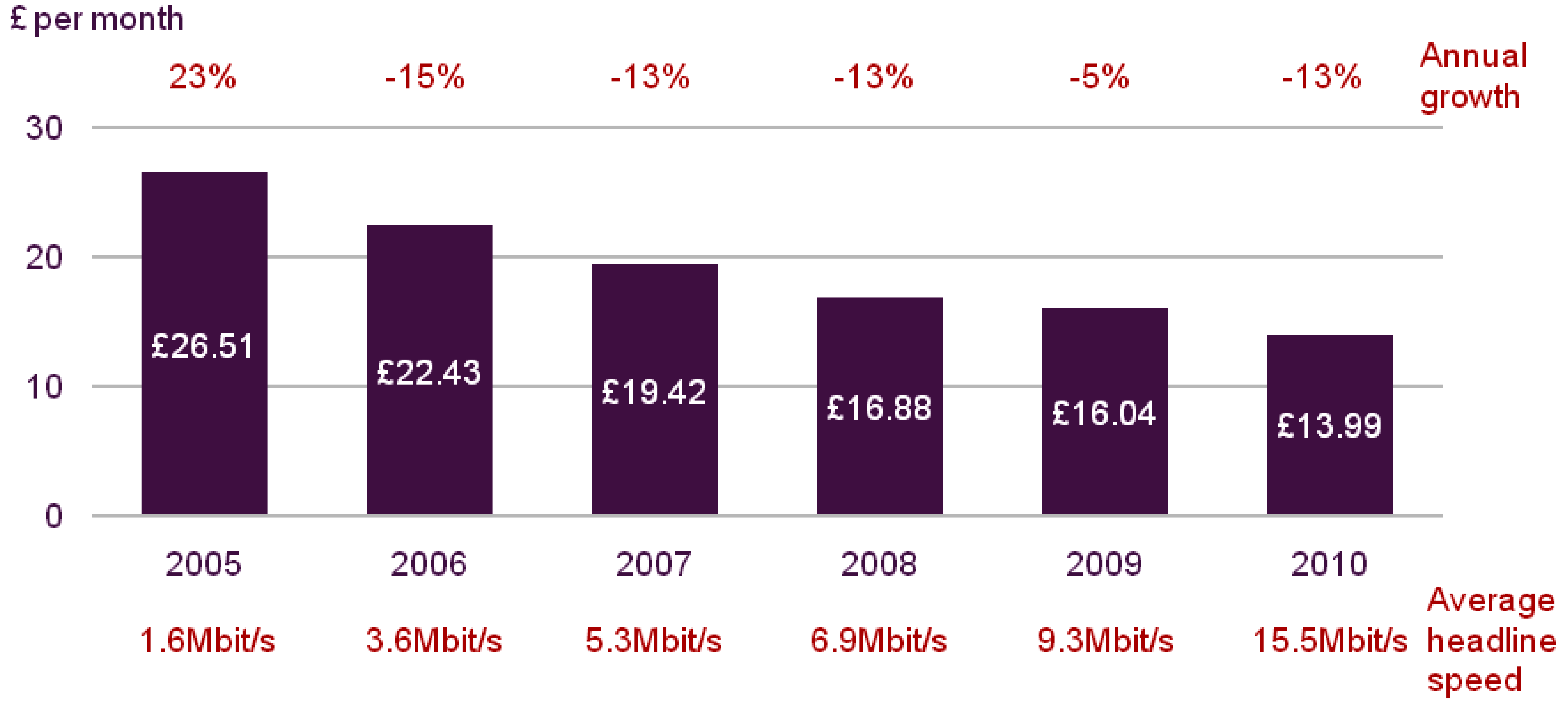
Residential consumer satisfaction with overall fixed line service



Source: Ofcom research
Base: All adults aged 15+ with a fixed line phone
Note: Includes only those who expressed an opinion

Figure 5.79

Estimated average monthly cost of a residential fixed broadband connection



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; includes VAT

Figure 5.80

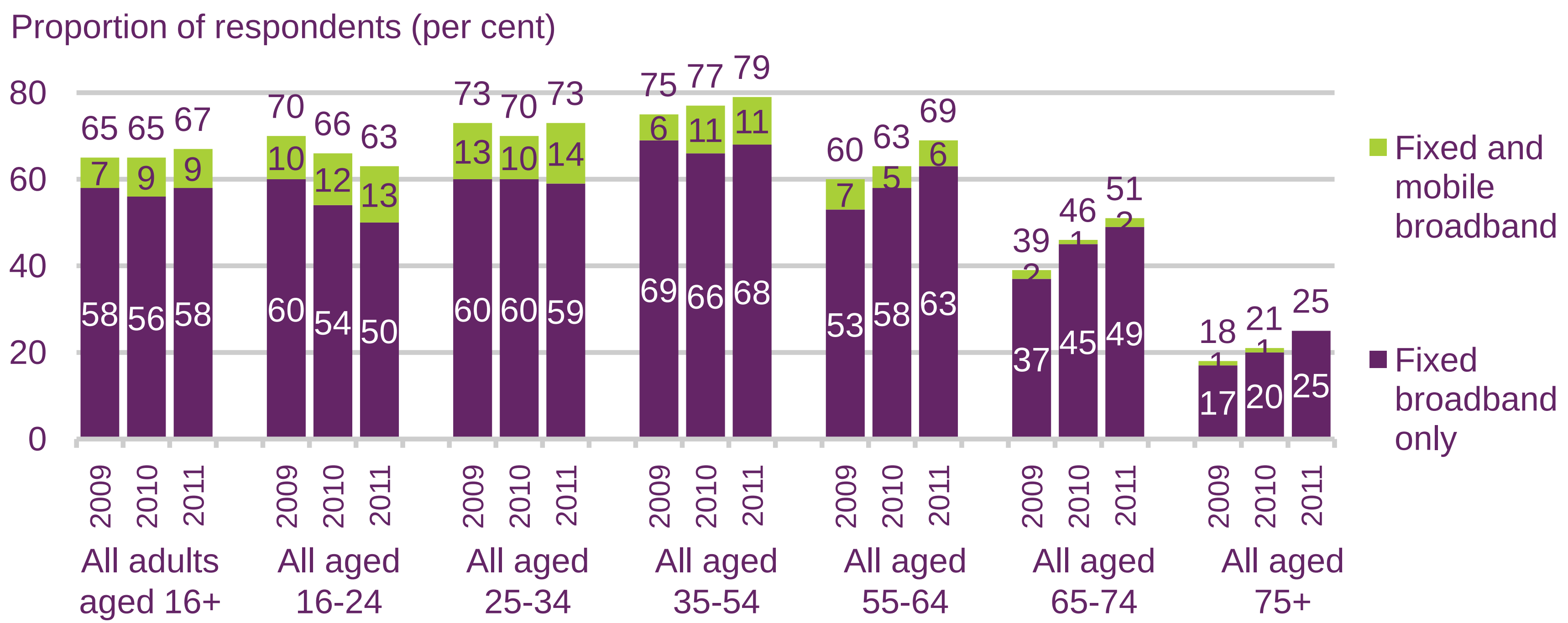
Lowest cost fixed broadband options from major suppliers, June 2011

Provider	Broadband only	Broadband and fixed calls	Broadband and fixed line	Broadband and mobile	Broadband and pay-TV	Broadband, fixed line and mobile	Broadband, fixed line and pay-TV
AOL	£15.31 [1]	£10.20 [1]	£19.09	-	-	-	-
BSkyB	£15.00 [1]	£15.00 [1]	£21.25	-	-	-	£30.75
BT	£25.60	£25.60	£26.90	-	-	-	£31.90
O2	£13.50 [1]	-	£21.00	£8.50[1,2]	-	£16.00[2]	-
Orange Home	£15.00 [1]	-	£24.00	£10.00 [2]	-	£19.00 [2]	-
Plusnet	£6.49 [1]	-	£18.48	-	-	-	-
TalkTalk	£6.50 [1]	-	£22.70	£16.50-	--	£29.10	-
Virgin Media	£21.00		£26.49	£26.00	£45.99	£31.49	£32.99

Source: Pure Pricing UK Broadband Pricing Factbook, June 2011
Notes: All tariffs exclude activation charges and promotional discounts and include VAT; all tariffs are the lowest price available, contract lengths vary; allowances for fixed-line and mobile calls, plus availability of TV channels included within packages may differ by operator and option; [1]Also requires BT fixed line rental at £13.90 a month; [2]plus cost of mobile tariff

Figure 5.81

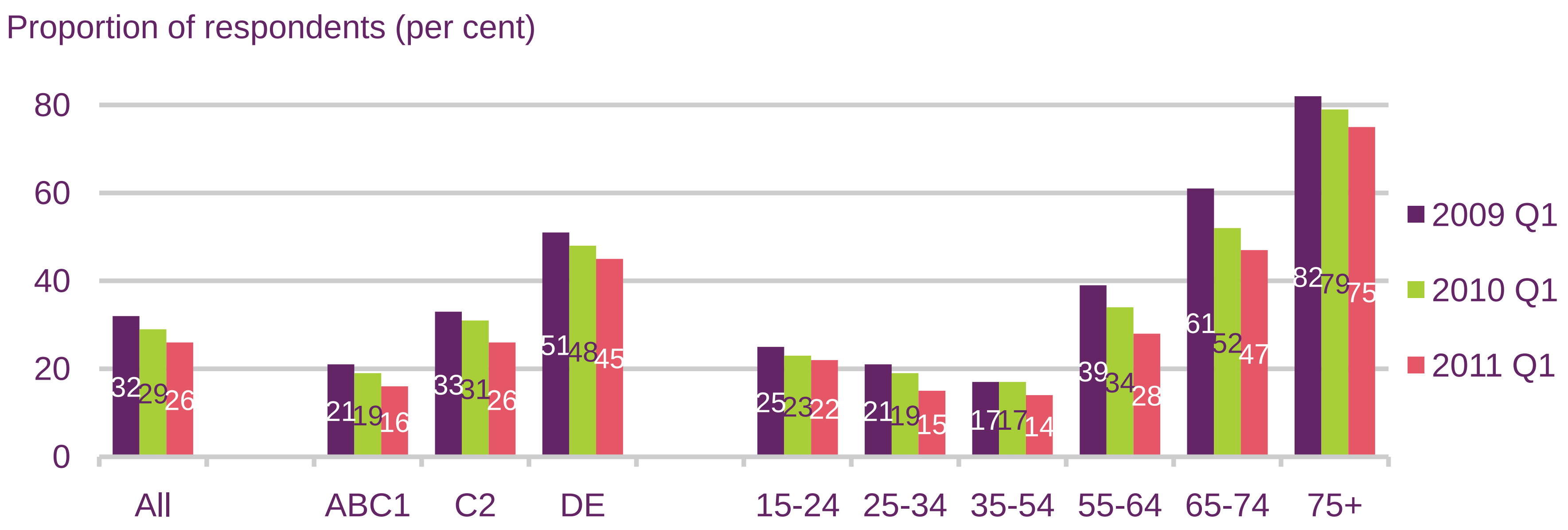
Take-up of fixed and mobile broadband services by age



Source: Ofcom research, data as at Q1 of each year
Base: All adults aged 16+

Figure 5.82

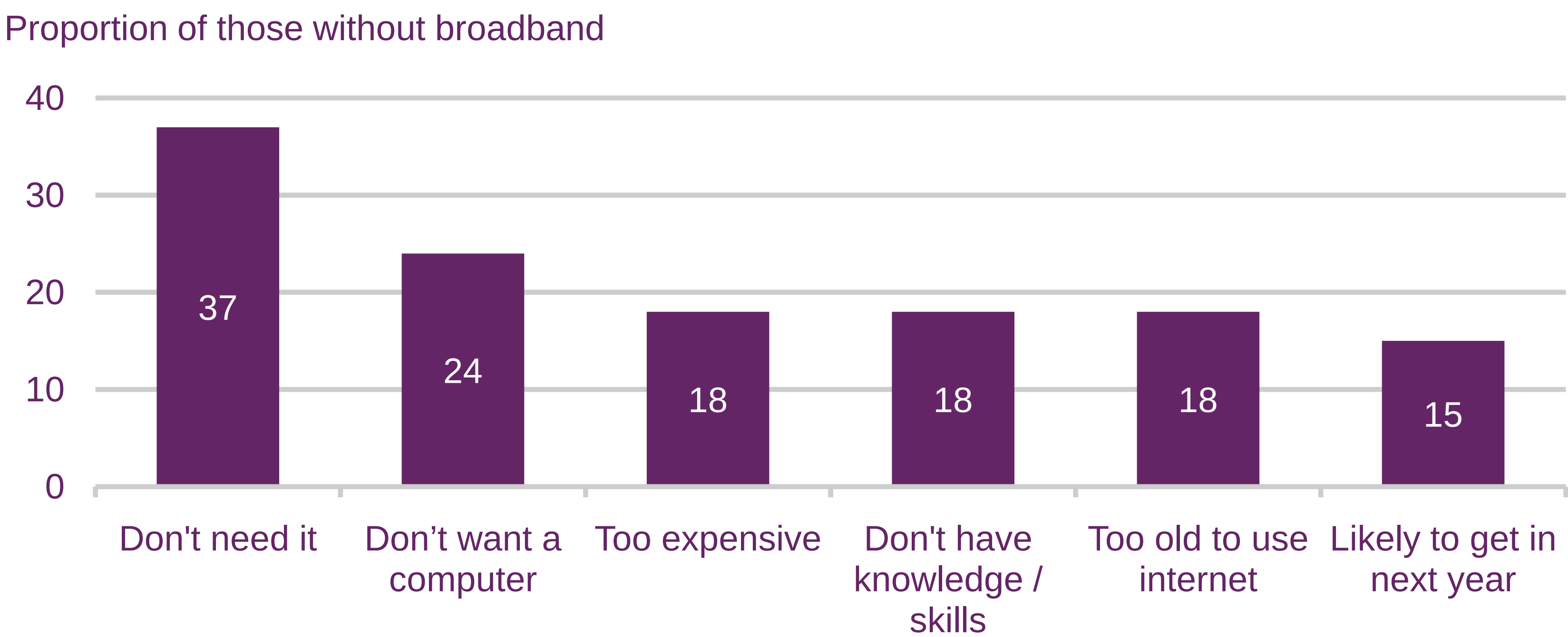
Non-ownership of home broadband, by socio-economic group and age



Source: Ofcom research, Q1 2011
Base: All adults 16+

Figure 5.83

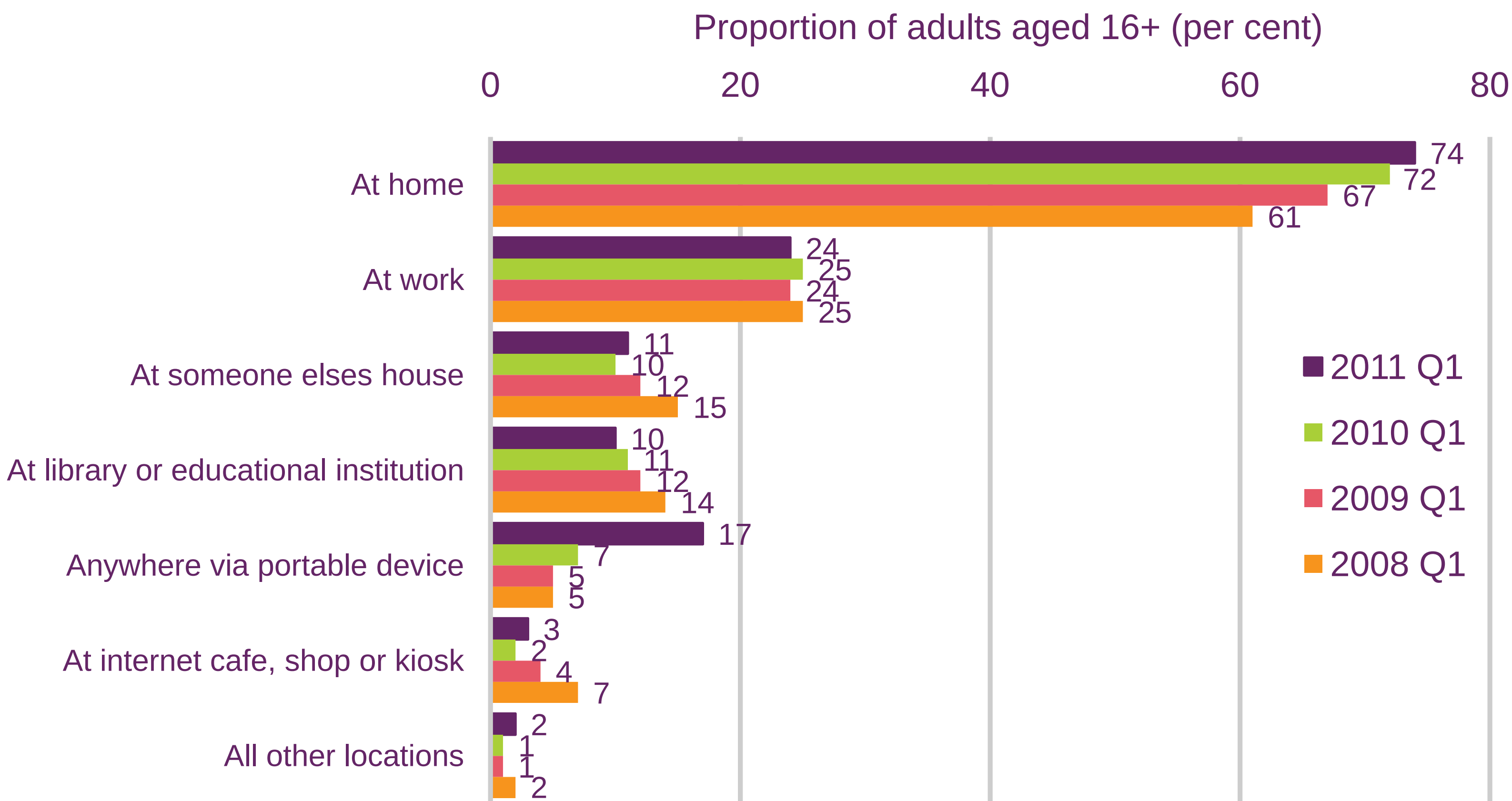
Main reasons for not having a home broadband connection



Source: Ofcom research
Note: 6% of people without the internet did not know what their main reason was or provided an ‘other’ reason
Base: All adults without the internet aged 16+ (n=920)

Figure 5.84

Location of internet access

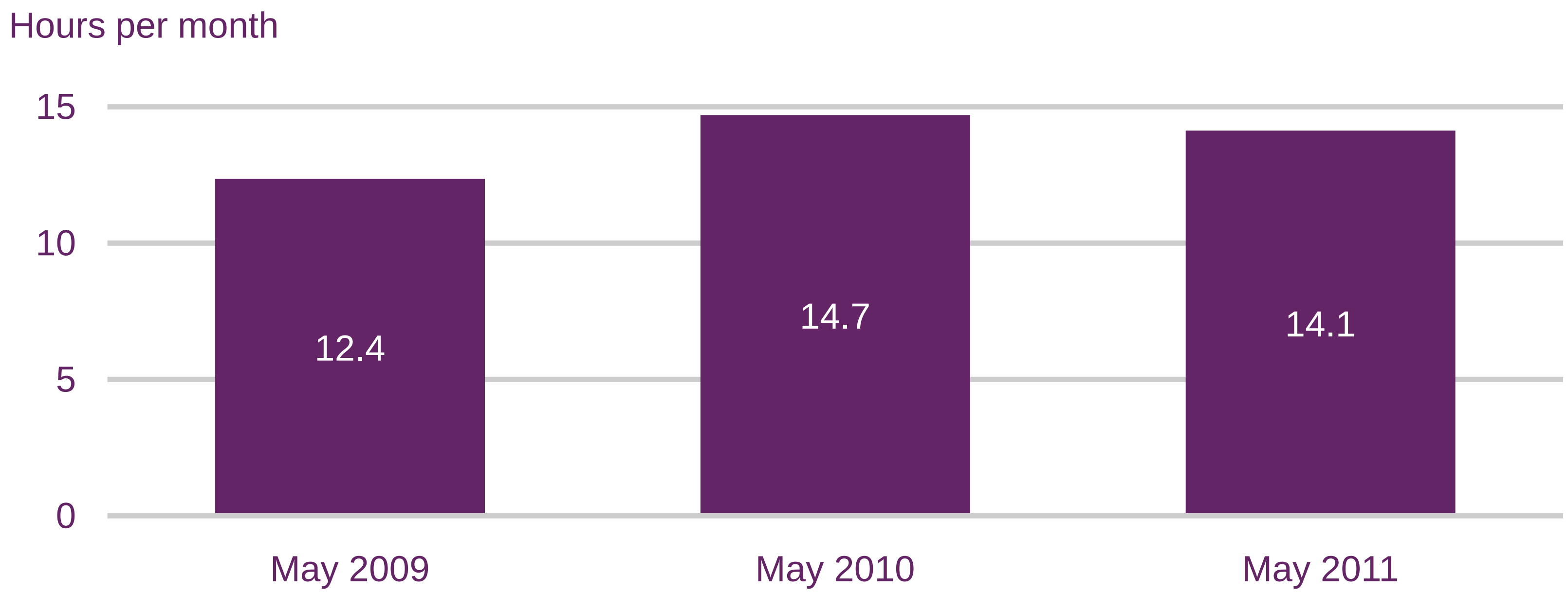


In total 80% of UK adults used the internet in 2011 Q1

Source: Ofcom research
Base: All internet users aged 16+

Figure 5.85

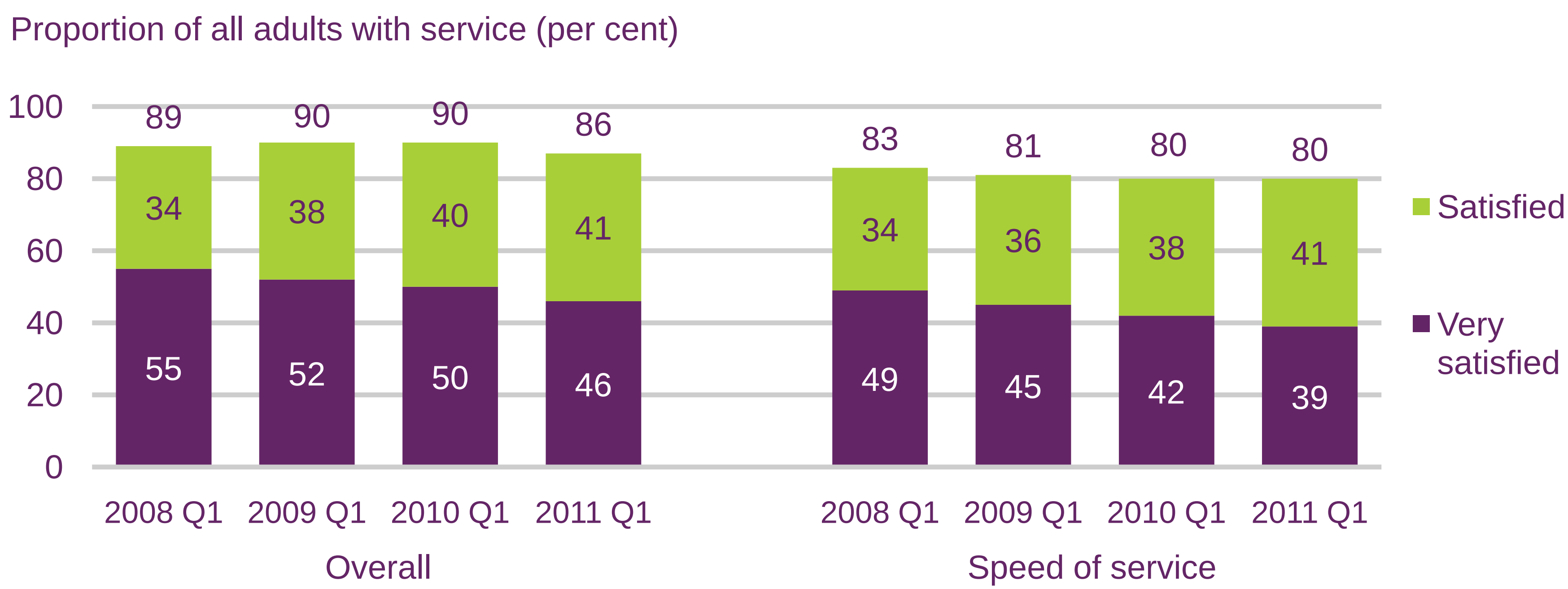
Average PC / internet time online at home, per person



Source: Ofcom / Nielsen / UKOM
Note: Ofcom estimate of fixed internet use per person is based on Nielsen's data on the average monthly time spent online at home including the use of applications across the online population only; data are for May of each year.

Figure 5.86

Residential consumer satisfaction with aspects of fixed broadband service

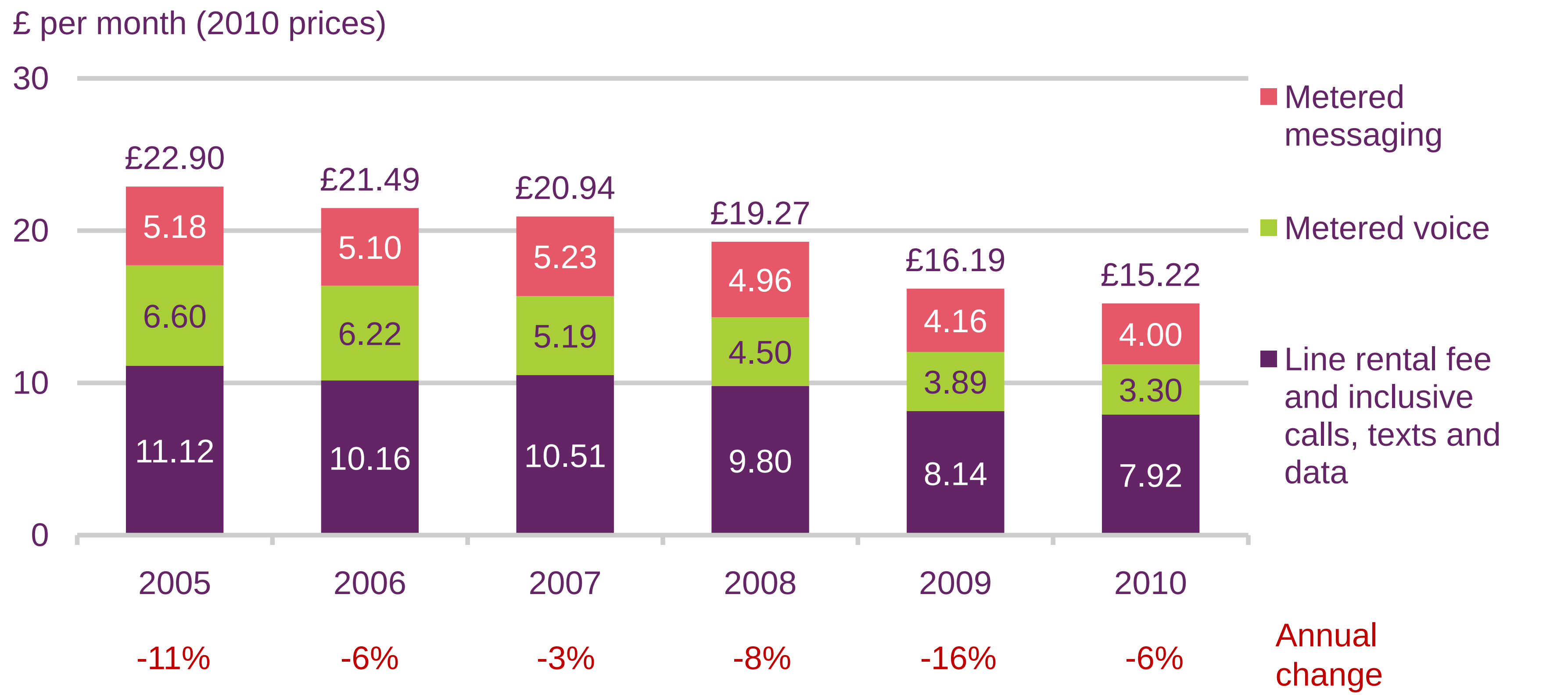


Source: Ofcom research
Base: All adults aged 16+ with a fixed broadband connection
Note: Includes only those who expressed an opinion

Mobile services (including mobile broadband)

Figure 5.87

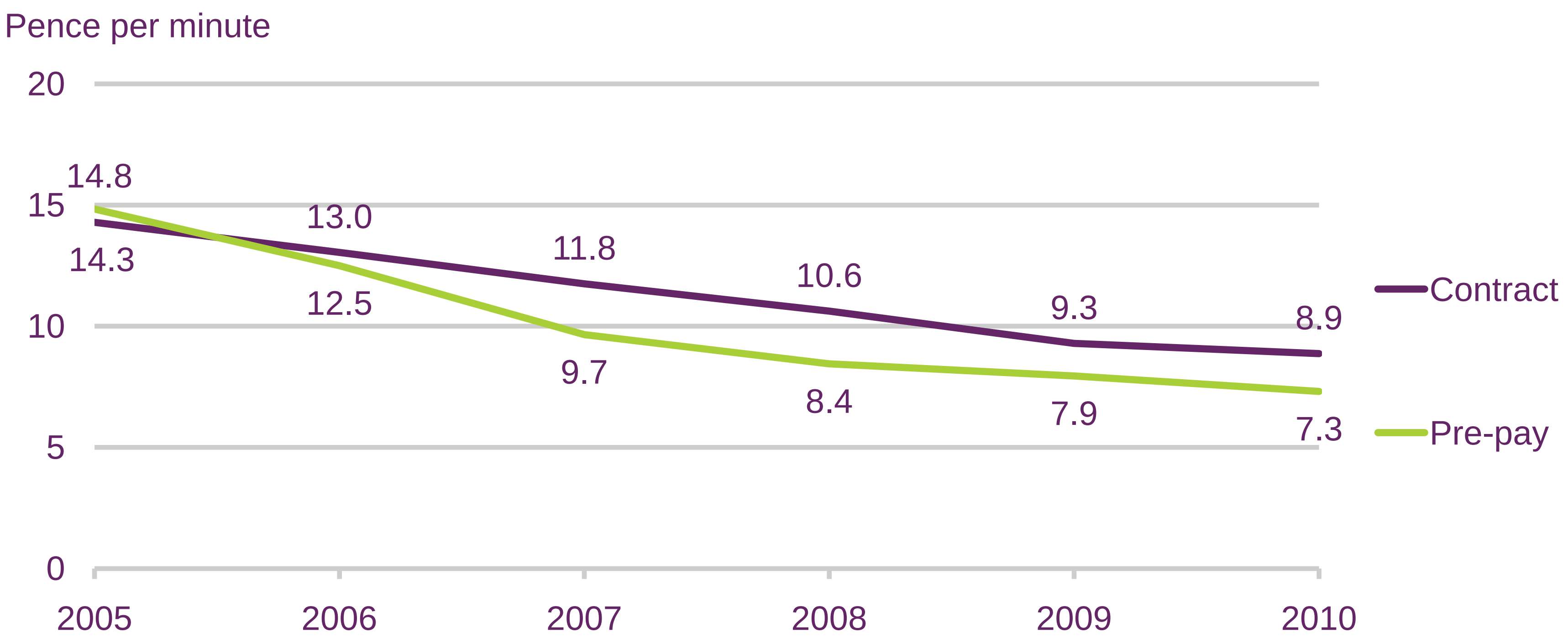
Cost of a basket of mobile services



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; excludes non-geographic voice calls; adjusted for RPI; includes VAT

Figure 5.88

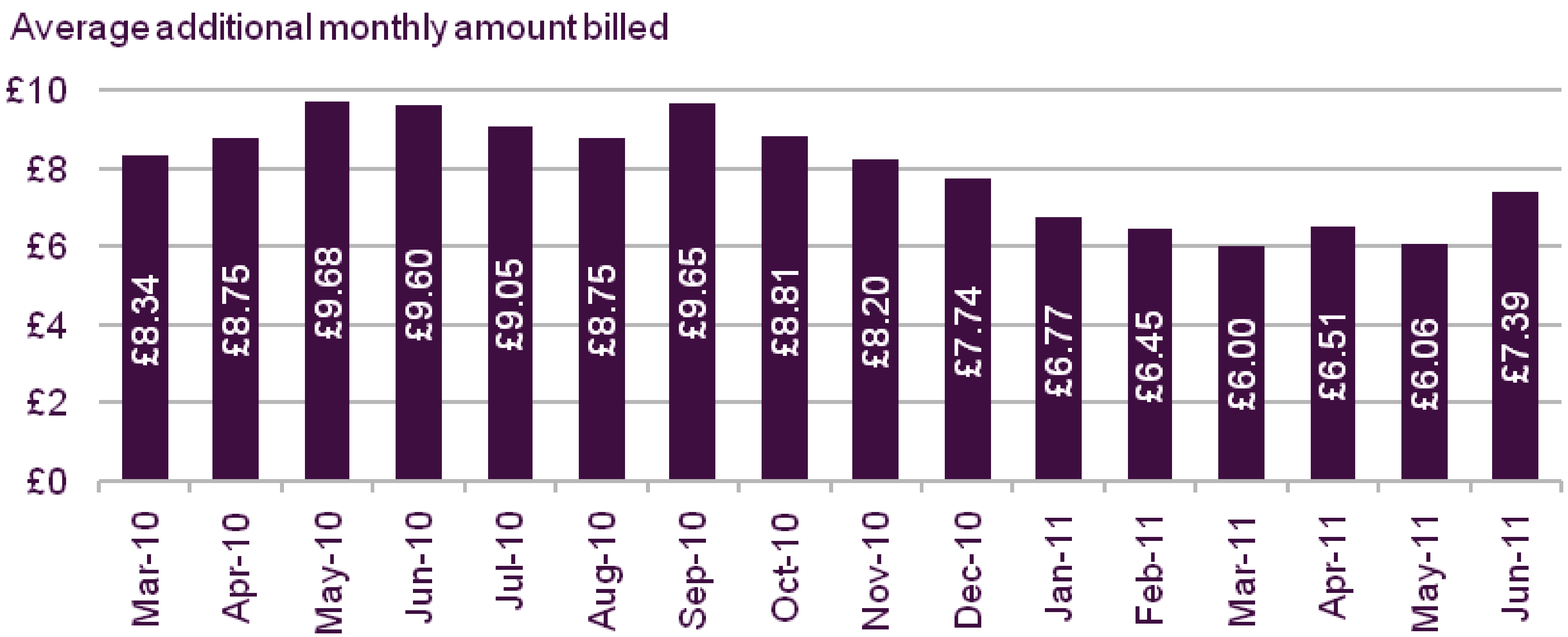
Average mobile cost per voice minute, by customer type



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; contract calculation includes rental element which will often includes a number of inclusive messages and data allowance; calculations use actual minutes of usage

Figure 5.89

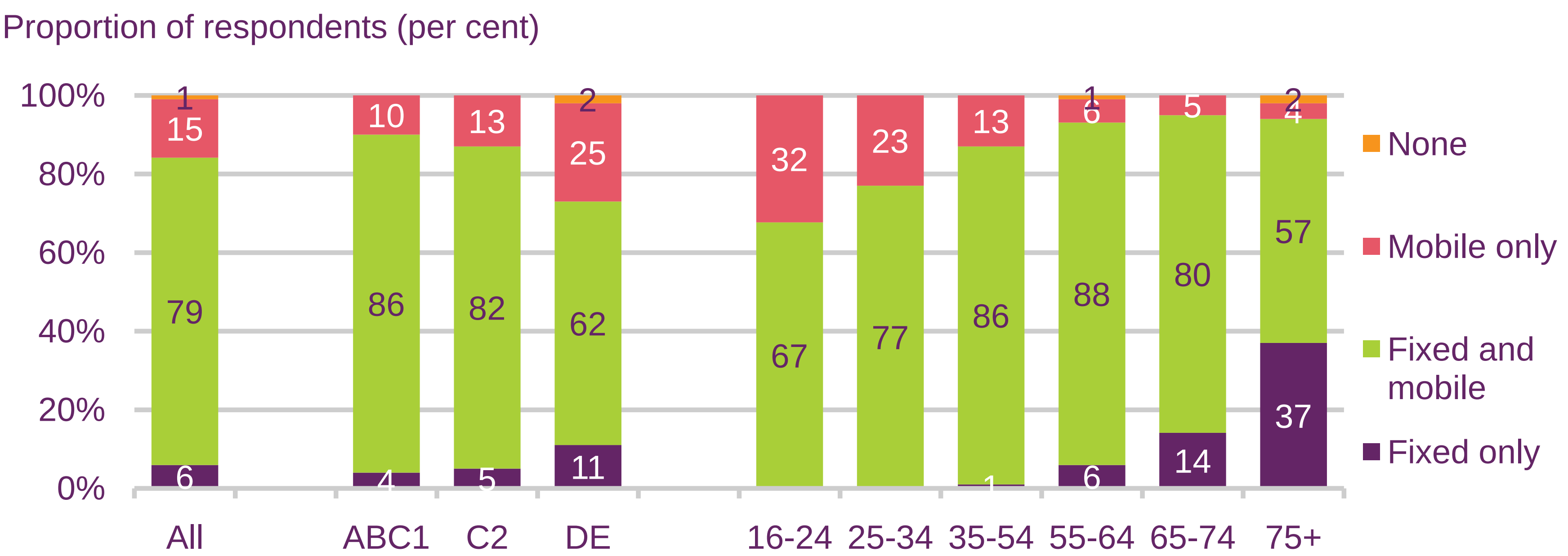
Average out-of-allowance costs billed to pay monthly customers



Source: billmonitor

Figure 5.90

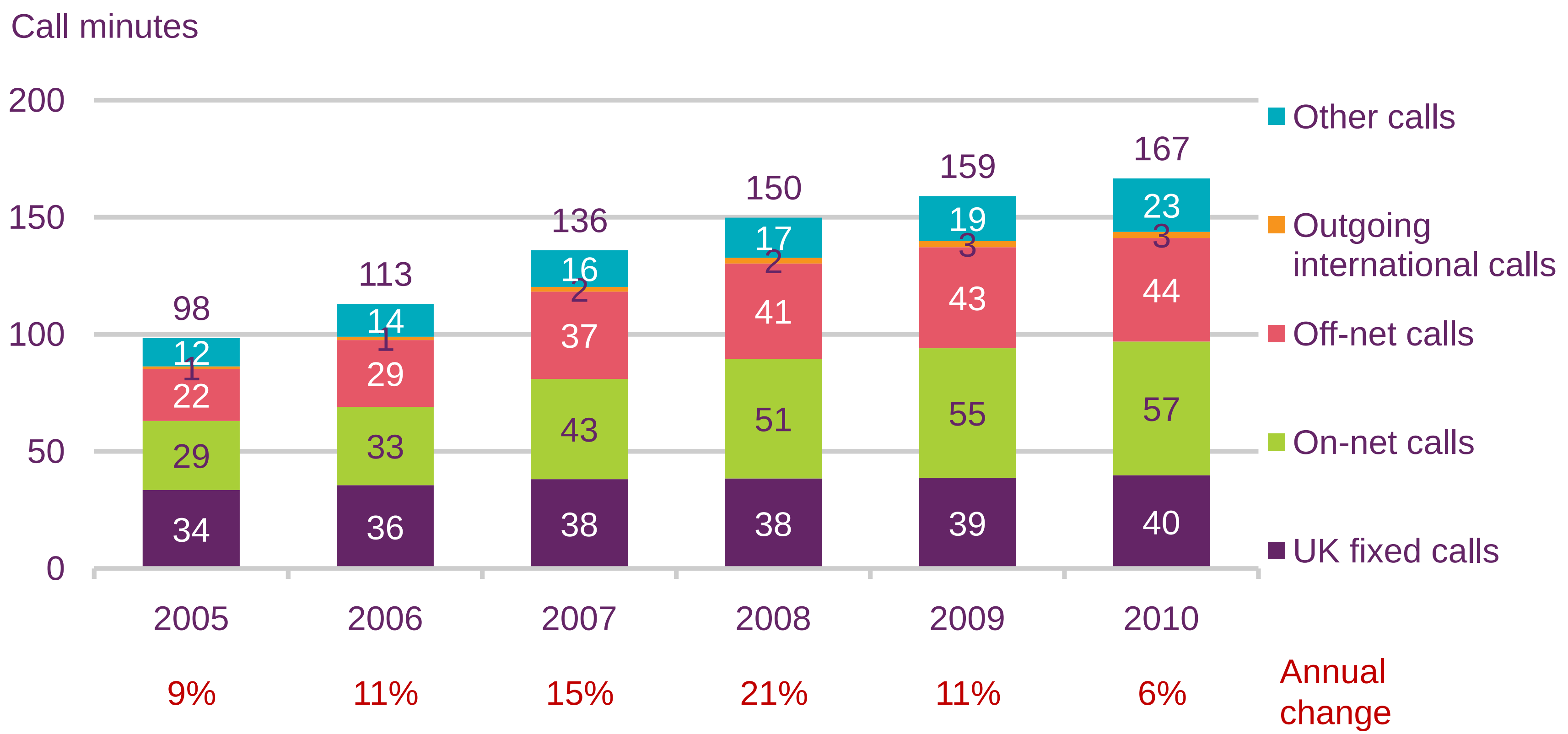
Household penetration of fixed and mobile telephony, by socio-economic group and age



Source: Ofcom research
Base: All adults aged 16+

Figure 5.91

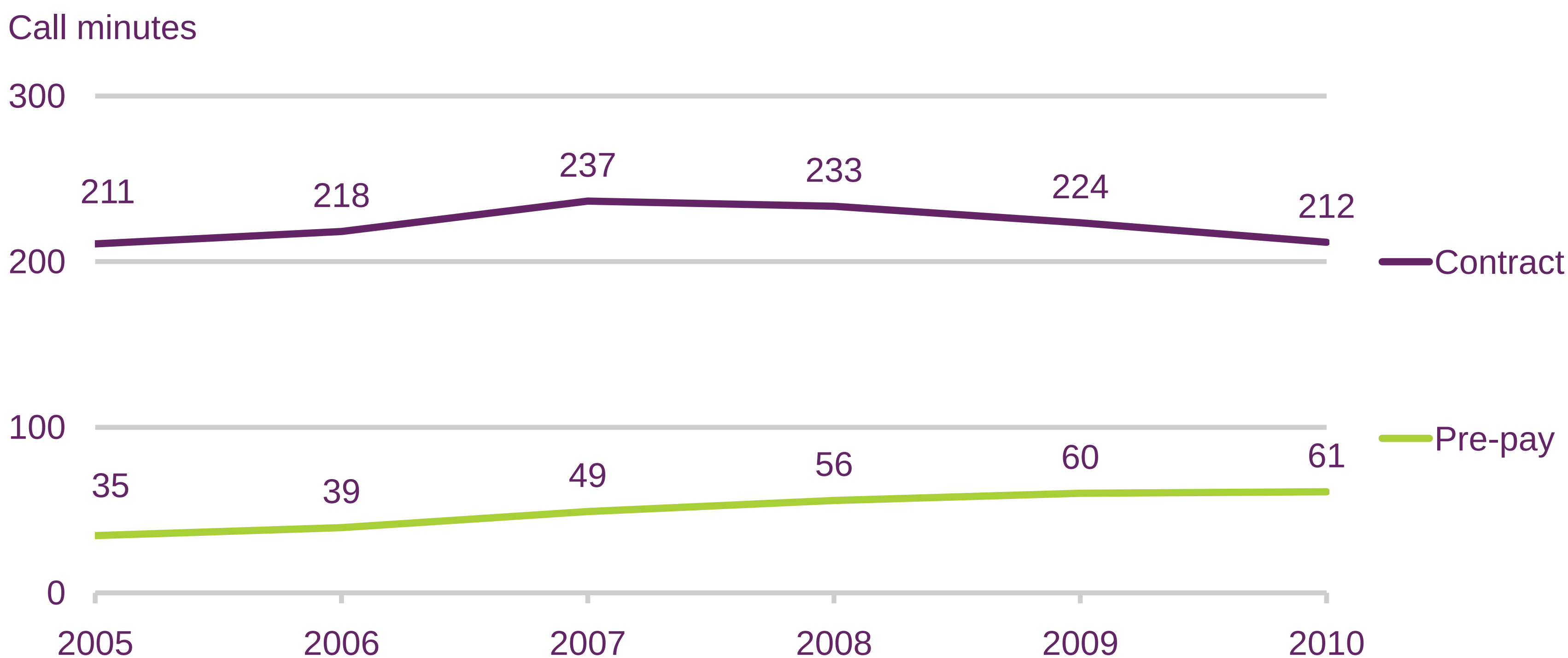
Average monthly outbound mobile voice minutes per person



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; excludes 3UK; calculation excludes mobile broadband connections

Figure 5.92

Average monthly outbound mobile call minutes, by subscription type



Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators; excludes 3UK; calculation excludes mobile broadband connections

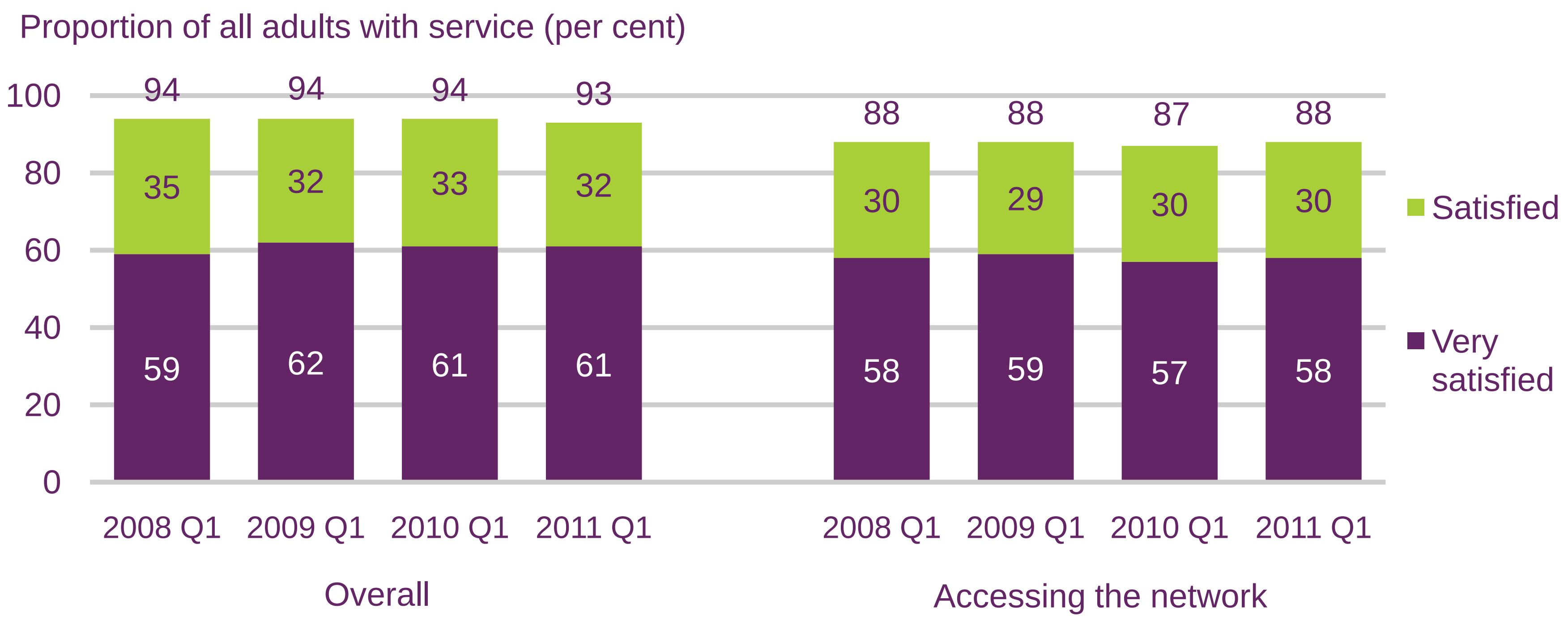
Figure 5.93

Average monthly messaging volumes per subscription type

Source: Ofcom / operators
Note: Includes estimates where Ofcom does not receive data from operators.

Figure 5.94

Residential consumer satisfaction with aspects of mobile service



Source: Ofcom research
Base: All adults aged 16+ with a mobile phone
Note: Includes only those who expressed an opinion

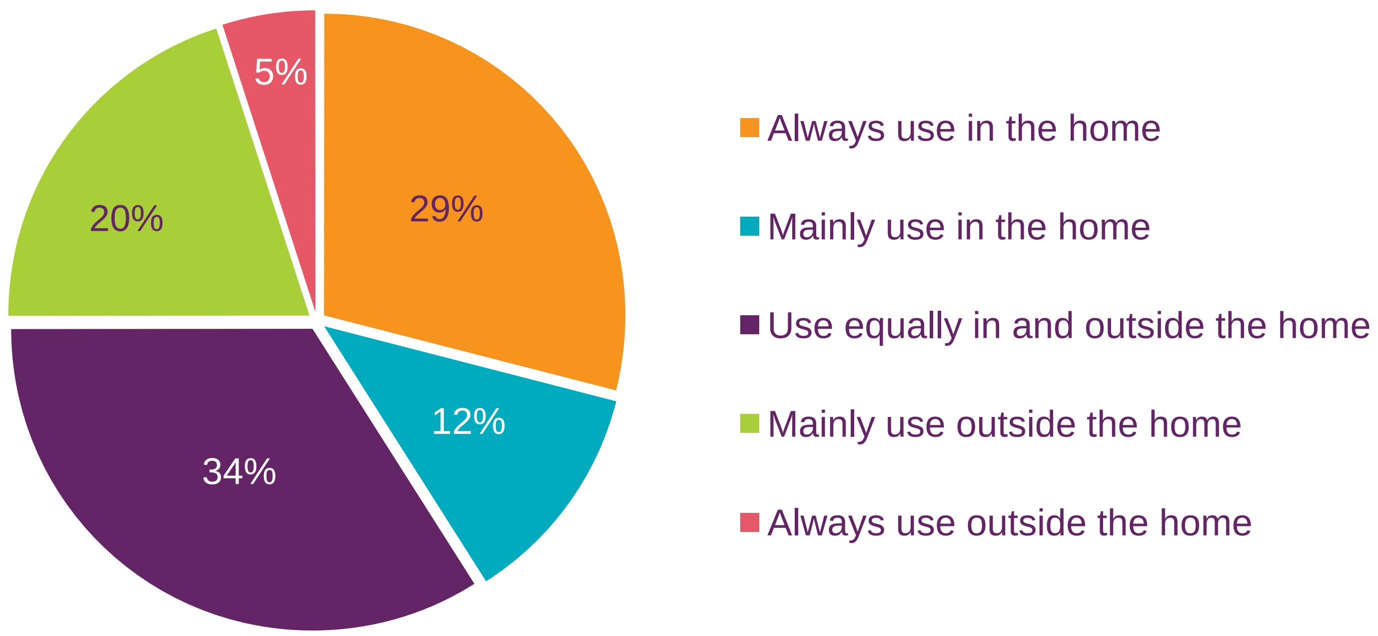
Figure 5.95

Take-up of mobile broadband, by socio-economic group

Source: Ofcom research, Q1 2011
Base: All adults aged 16+ (n=3474)

Figure 5.96

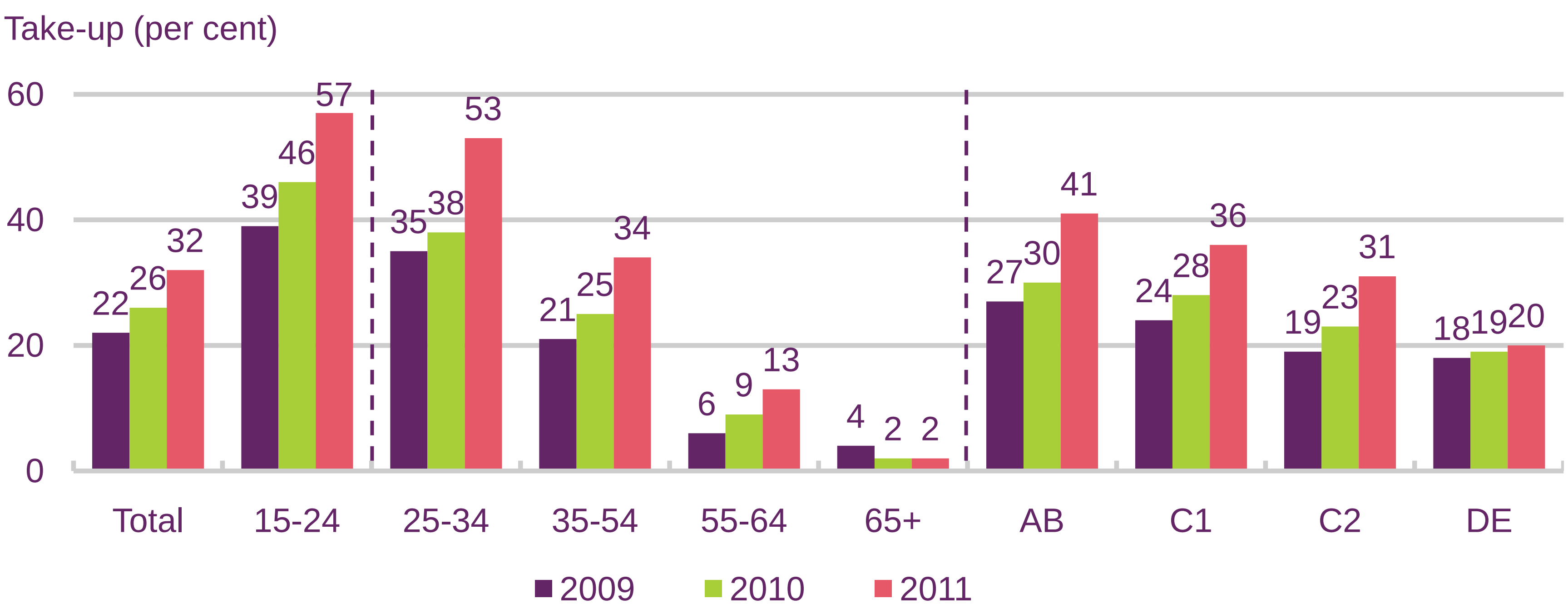
Location of those using mobile broadband to access the internet



Source: Ofcom
Base: 750 UK adults

Figure 5.97

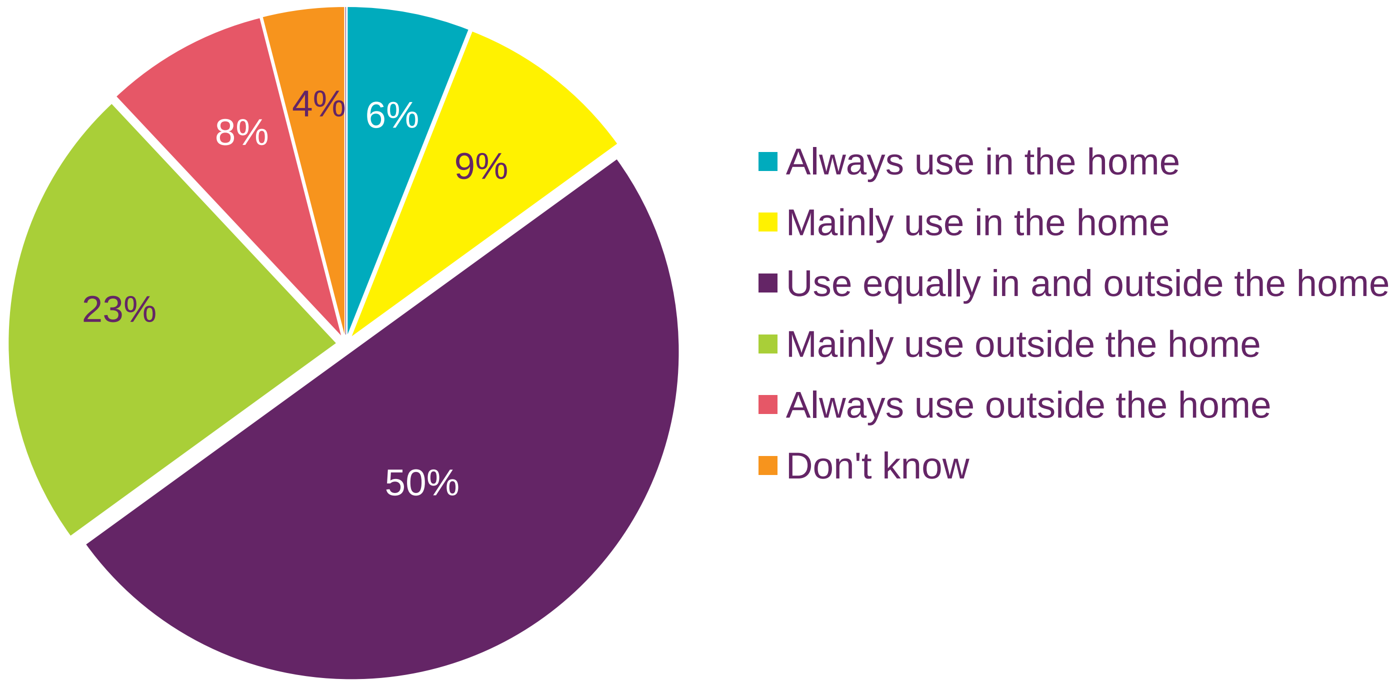
Use of the internet on mobile phones by age and socio-economic group



QD28A: Which if any, of the following activities, other than making and receiving voice calls, do you use your mobile for?
Source: Ofcom technology tracker, Q1 2011
Base: All adults 16+ (n = 3474 UK, 460 16-24, 540 25-34, 1204 35-54, 535 55-64, 735 65+, 784 AB, 1014 C1, 701 C2, 975 DE, 1679 male, 1795 female)
Note: Web/data access includes accessing the internet, downloading and streaming content, connecting using Wi-Fi and using VoIP.

Figure 5.98

Location of internet access using a mobile device



Source: Ofcom
Base: 471 UK adults

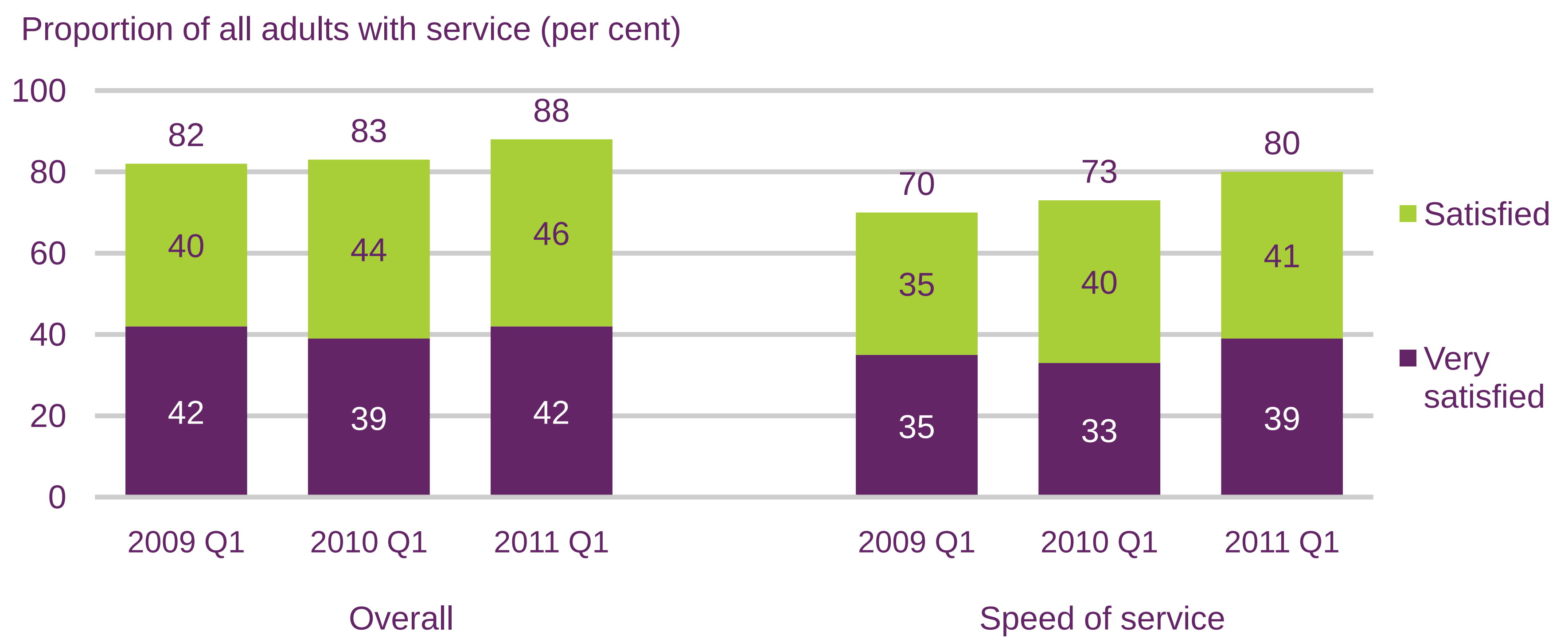
Figure 5.99

Lowest cost standalone mobile broadband contracts by provider

Provider		Monthly charge	Data allowance	Minimum contract length	Charges above allowance	WiFi hotspot use
Vodafone	2009	£14.68	1GB	1 month	£7.50 / 500MB	Not included
	2010	£15.00	3GB	1 month	£15.00 / GB	Not included
	2011	£7.50	500MB	1 month	£15.00 / GB	1GB
O2	2009	£14.69	3GB	1 month	19.6p / MB	Unlimited
	2010	£10.00	1GB	1 month	2.4p / MB	Unlimited
	2011	£5.11	500MB	1 month	Bundles available e.g. £5.11 / 500MB	Unlimited
T-Mobile	2009	£14.68	3GB fair use	18 months	n/a	Unlimited
	2010	£15.00	3GB fair use	18 months	n/a	Unlimited
	2011	£10.00	1GB fair use	18 months	n/a	Not included
Orange	2009	£9.79	1GB	18 months	1.43p / MB	Not included
	2010	£10.00	1.5GB	18 months	2p / MB	Not included
	2011	£10.00	500MB	1 month	Bundles available e.g. £5.00 / 500MB	Not included
3UK	2009	£9.79	1GB	12 months	10p / MB	Not included
	2010	£7.50	1GB	18 months	10p / MB	Not included
	2011	£7.89	1GB	18 months	10p / MB	Not included
Virgin Mobile	2009	£14.68	3GB	18 months	£14.68 / GB	Not included
	2010	£10.00	1GB	2 months	£15 / GB	Not included

Figure 5.100

Residential consumer satisfaction with aspects of mobile broadband service



Source: Ofcom research
Base: All adults aged 16+ with a mobile broadband connection
Note: Includes only those who expressed an opinion