making communications work
for everyone

Telecommunications Market Data Update

Q3 2020

MARKET DATA

Publication Date: 28 January 2021

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 services generated £1.7bn in revenue in Q3 2020; a fall of £42m (2.4%) from the previous quarter. BT's share of these revenues remained stable at 48.7%.
- Access and add-on call bundles generated £1.5bn in revenue in Q3 2020, accounting for 87.5% of total fixed voice revenues.
- There were 32.2 million fixed exchange lines (including PSTN, ISDN and managed VoIP connections) at the end of Q3 2020, 86k (0.3%) fewer than at the end of the prevous quarter.
- Total fixed-originated call volumes fell by 1.4 billion minutes (11.3%) to 10.8 billion minutes during the quarter, having increased sharply during the initial phase of Covid-19 lockdown in Q2 2020.

Fixed broadband services

- There were 27.1 million fixed broadband lines at the end of Q3 2020, an increase of 93k (0.3%) from the previous quarter.
- The number of ADSL lines fell by 555k (8.9%) in Q3 2020, while the number of cable broadband lines increased by 15k (0.3%) and the number of 'Other inc. FTTx' lines (predominantly fibre broadband connections) increased by 633k (4.1%).
- There were 16.3 million 'Other inc. FTTx' broadband lines at the end of Q2 2020, accounting for 59.9% of all UK fixed broadband connections.

Mobile services

- Mobile telephony services generated £3.1bn in retail revenues in Q3 2020, a £284m (8.4%) decrease from a year previously.
- Average monthly revenue per subscriber was £12.37 in Q3 2020, with post-pay subscribers generating more revenue than pre-pay users on average (£15.26 compared to £4.71).
- The number of active mobile subscriptions (excluding M2M) was 84.2 million at the end of Q3 2020, down 0.1 million (0.1%) from a year previously.
- Over the same period, the number of dedicated mobile broadband subscriptions increased by 0.3 million 6.2%) to 4.8 million.
- The number of mobile-originated voice calls minutes increased by 7.3 billion (18.3%) to 46.9 billion minutes in the year to Q3 2020, with calls to landlines increasing by 24.7% to 10.4 billion minutes.
- Roaming call volumes decreased by 45.5% to 0.5 billion minutes compared to Q3 2019, the key driver of this fall being travel restrictions that were introduced to combat the spread of Covid-19.
- The number of mobile messages (including SMS and MMS) saw a significant year-on-year decline, down 4.2 billion messages (26.1%) to 11.9 billion.
- Data usage continued to increase rapidly, up 217 PB (24.6%) year-on-year to 1,099 PB.

2. Fixed telecoms market data tables

Q3 2020 (July to September)

Table

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	7,196	3,030	842	3,324	42.1%
2019 Q3	1,735	718	192	825	41.4%
2019 Q4	1,889	822	265	802	43.5%
2020 Q1	1,812	877	267	668	48.4%
2020 Q2	1,761	858	267	636	48.7%
2020 Q3	1,719	838	262	620	48.7%
Access[1]					
2018	5,923	2,302	648	2,974	38.9%
2019	5,918	2,294	746	2,877	38.8%
2019 Q3	1,395	520	167	709	37.2%
2019 Q4	1,655	709	242	704	42.9%
2020 Q1	1,574	758	243	574	48.1%
2020 Q2	1,532	748	244	540	48.8%
2020 Q3	1,504	745	238	521	49.6%
Calls					
2018	1,652	999	122	532	60.5%
2019	1,278	736	95	447	57.6%
2019 Q3	340	199	24	117	58.5%
2019 Q4	234	113	23	98	48.2%
2020 Q1	237	119	25	94	50.1%
2020 Q2	229	110	23	96	48.1%
2020 Q3	215	93	24	98	43.1%

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	31,514	12,518	4,881	14,114	39.7%
2019	32,406	13,188	4,802	14,416	40.7%
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%
2020 Q2	32,304	13,132	4,749	14,423	40.7%
2020 Q3	32,217	13,113	4,656	14,449	40.7%

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	47,022	19,605	6,285	21,132	41.7%
2019	39,042	16,327	4,952	17,763	41.8%
2019 Q3	9,534	3,997	1,251	4,286	41.9%
2019 Q4	9,572	3,883	1,174	4,515	40.6%
2020 Q1	10,453	4,482	1,348	4,623	42.9%
2020 Q2	12,191	5,383	1,649	5,159	44.2%
2020 Q3	10,818	4,567	1,359	4,892	42.2%

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	1,278	378	96	320	484
2019 Q3	340	94	21	81	145
2019 Q4	234	85	24	77	48
2020 Q1	237	90	24	79	44
2020 Q2	229	93	22	94	21
2020 Q3	215	86	20	79	30

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	26,032	11,370	3,735	10,927	43.7%
2019 Q3	6,354	2,751	958	2,645	43.3%
2019 Q4	6,357	2,785	816	2,756	43.8%
2020 Q1	7,087	3,291	958	2,838	46.4%
2020 Q2	8,434	4,033	1,208	3,193	47.8%
2020 Q3	7,088	3,299	952	2,837	46.5%
International calls					
2018	1,994	496	145	1,353	24.9%
2019	1,586	370	114	1,102	23.3%
2019 Q3	364	88	28	248	24.2%
2019 Q4	414	85	27	302	20.6%
2020 Q1	413	91	27	295	22.1%
2020 Q2	409	90	31	288	22.0%
2020 Q3	373	73	25	275	19.6%
Calls to mobiles					
2018	5,732	2,078	707	2,947	36.3%
2019	5,173	1,822	631	2,720	35.2%
2019 Q3	1,301	451	168	682	34.7%
2019 Q4	1,256	438	150	668	34.9%
2020 Q1	1,365	514	172	679	37.7%
2020 Q2	1,842	693	237	912	37.6%
2020 Q3	1,756	671	207	878	38.2%
Other calls[1]					
2018	8,102	3,708	677	3,717	45.8%
2019	6,251	2,765	472	3,014	44.2%
2019 Q3	1,515	707	97	711	46.7%
2019 Q4	1,545	575	181	789	37.2%
2020 Q1	1,589	586	191	812	36.9%
2020 Q2	1,507	567	173	767	37.6%
2020 Q3	1,601	524	175	902	32.7%

[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	5,580	2,163	799	2,618	38.8%
2019 Q3	1,344	514	181	649	38.3%
2019 Q4	1,464	586	255	622	40.1%
2020 Q1	1,402	652	256	494	46.5%
2020 Q2	1,363	643	262	458	47.2%
2020 Q3	1,314	625	250	439	47.5%
Access[2]					
2018	4,666	1,585	618	2,462	34.0%
2019	4,759	1,627	721	2,411	34.2%
2019 Q3	1,124	366	161	597	32.5%
2019 Q4	1,324	514	236	573	38.8%
2020 Q1	1,253	572	237	444	45.7%
2020 Q2	1,211	566	239	406	46.7%
2020 Q3	1,183	567	232	384	48.0%
Calls					
2018	1,067	730	98	239	68.4%
2019	820	536	78	207	65.3%
2019 Q3	220	149	20	51	67.7%
2019 Q4	140	72	18	49	51.6%
2020 Q1	150	79	20	51	53.0%
2020 Q2	151	76	23	52	50.4%
2020 Q3	132	57	19	55	43.6%

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 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%
2020 Q2	26,204	9,582	4,536	12,086	36.6%
2020 Q3	26,222	9,556	4,452	12,214	36.4%

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2018	32,068	13,857	5,384	12,827	43.2%
2019	25,794	11,188	4,246	10,360	43.4%
2019 Q3	6,348	2,723	1,082	2,543	42.9%
2019 Q4	6,097	2,672	961	2,464	43.8%
2020 Q1	7,069	3,247	1,130	2,692	45.9%
2020 Q2	9,049	4,252	1,437	3,360	47.0%
2020 Q3	7,318	3,296	1,137	2,885	45.0%

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	820	261	53	171	336
2019 Q3	220	64	11	43	101
2019 Q4	140	58	12	40	30
2020 Q1	150	66	13	42	29
2020 Q2	151	76	13	49	14
2020 Q3	132	67	11	36	18

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	18,893	8,598	3,375	6,920	45.5%
2019 Q3	4,622	2,078	871	1,673	45.0%
2019 Q4	4,490	2,057	711	1,722	45.8%
2020 Q1	5,328	2,553	854	1,921	47.9%
2020 Q2	7,060	3,433	1,129	2,498	48.6%
2020 Q3	5,549	2,600	861	2,088	46.9%
International calls					
2018	1,315	328	131	856	24.9%
2019	986	248	105	633	25.2%
2019 Q3	234	58	26	150	24.8%
2019 Q4	225	57	24	144	25.3%
2020 Q1	236	65	25	146	27.5%
2020 Q2	257	72	30	155	28.0%
2020 Q3	216	56	24	136	26.0%
Calls to mobiles					
2018	2,462	860	414	1,188	34.9%
2019	2,071	674	369	1,028	32.5%
2019 Q3	525	168	99	258	32.0%
2019 Q4	499	163	81	255	32.7%
2020 Q1	583	210	95	278	36.0%
2020 Q2	784	296	128	360	37.8%
2020 Q3	649	241	104	304	37.1%
Other calls[1]					
2018	5,127	2,242	571	2,314	43.7%
2019	3,844	1,668	397	1,779	43.4%
2019 Q3	967	419	86	462	43.3%
2019 Q4	882	395	145	342	44.8%
2020 Q1	922	419	156	347	45.5%
2020 Q2	948	451	150	347	47.6%
2020 Q3	905	399	148	358	44.1%

[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	1,834	977	54	804	53.3%
2019	1,609	860	43	706	53.5%
2019 Q3	390	202	11	177	51.9%
2019 Q4	424	234	11	180	55.2%
2020 Q1	408	224	11	174	54.8%
2020 Q2	402	214	10	178	53.3%
2020 Q3	404	212	11	180	52.6%
Access[1]					
2018	1,258	717	29	511	57.0%
2019	1,158	667	25	466	57.6%
2019 Q3	272	154	6	111	56.7%
2019 Q4	332	195	6	131	58.8%
2020 Q1	322	185	6	130	57.6%
2020 Q2	320	181	5	134	56.6%
2020 Q3	321	178	6	137	55.4%
Calls					
2018	577	261	24	292	45.2%
2019	451	193	18	240	42.9%
2019 Q3	118	48	5	65	40.8%
2019 Q4	92	39	5	49	42.1%
2020 Q1	86	38	5	43	44.4%
2020 Q2	82	33	5	44	40.4%
2020 Q3	82	34	5	43	41.6%

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	5,379	2,533	359	2,487	47.1%
2019	6,168	3,507	234	2,427	56.9%
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%
2020 Q2	6,099	3,549	212	2,338	58.2%
2020 Q3	5,996	3,557	204	2,235	59.3%

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	13,240	5,131	706	7,403	38.8%
2019 Q3	3,185	1,272	169	1,744	39.9%
2019 Q4	3,474	1,210	213	2,051	34.8%
2020 Q1	3,382	1,233	218	1,931	36.5%
2020 Q2	3,128	1,129	212	1,787	36.1%
2020 Q3	3,497	1,269	222	2,006	36.3%

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	451	118	43	150	140
2019 Q2	116	30	10	38	39
2019 Q3	118	29	10	37	42
2019 Q4	92	27	12	36	17
2020 Q1	86	25	11	36	14
2020 Q2	82	18	9	45	10

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	7,139	2,772	360	4,007	38.8%
2019 Q3	1,732	673	87	972	38.9%
2019 Q4	1,867	728	105	1,034	39.0%
2020 Q1	1,759	738	104	917	42.0%
2020 Q2	1,373	600	79	694	43.7%
2020 Q3	1,539	699	91	749	45.6%
International calls					
2018	680	168	14	498	24.7%
2019	600	122	9	469	20.3%
2019 Q3	130	30	2	98	23.1%
2019 Q4	188	28	3	157	14.9%
2020 Q1	177	26	2	149	14.7%
2020 Q2	152	18	1	133	11.9%
2020 Q3	158	17	1	140	10.8%
Calls to mobiles					
2018	3,270	1,218	293	1,759	37.2%
2019	3,101	1,148	262	1,691	37.0%
2019 Q3	777	283	69	425	36.4%
2019 Q4	757	275	69	413	36.3%
2020 Q1	782	304	77	401	38.9%
2020 Q2	1,058	397	109	552	37.5%
2020 Q3	1,107	430	103	574	38.8%
Other calls[1]					
2018	2,960	1,453	106	1,401	49.1%
2019	2,400	1,089	75	1,236	45.4%
2019 Q3	546	286	11	249	52.4%
2019 Q4	662	179	36	447	27.0%
2020 Q1	665	165	35	465	24.8%
2020 Q2	545	114	23	408	20.9%
2020 Q3	694	123	27	544	17.6%

[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	26,587	9,551	5,225	11,810	34.6%
2019	26,872	7,362	5,080	14,430	34.0%
2019 Q3	26,823	7,891	5,277	13,656	34.1%
2019 Q4	26,872	7,362	5,080	14,430	34.0%
2020 Q1	26,961	6,730	5,090	15,142	33.7%
2020 Q2	27,040	6,264	5,145	15,630	33.7%
2020 Q3	27,132	5,709	5,160	16,263	33.7%

[1] Includes EE from 2017 Q4.

3. Mobile telecoms market data tables

Q3 2020 (July to September 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 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	3,209	2,553	36	49	49	61	51	136	273
2020 Q2	3,193	2,563	36	51	51	57	29	120	286
2020 Q3	3,103	2,523	24	20	33	41	21	116	325

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 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	44.88	9.73	13.19	18.99	0.86	0.51	1.60	14.71	965.97
2020 Q2	50.05	11.38	14.01	22.02	0.81	0.33	1.50	10.80	1007.06
2020 Q3	46.92	10.38	13.44	20.24	0.71	0.55	1.62	11.85	1099.20

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
2018	83.40	57.35	26.04	-0.12	69.0%	4.51
2019	84.61	59.73	24.88	0.63	70.6%	4.50
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
2020 Q2	83.11	60.55	22.56	-0.47	72.9%	4.73
2020 Q3	84.17	61.10	23.07	1.06	72.6%	4.80

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
2018	13.70	17.84	4.92
2019	13.25	16.85	4.96
2019 Q3	13.44	17.22	5.20
2019 Q4	13.14	16.52	4.97
2020 Q1	12.72	15.97	5.08
2020 Q2	12.77	15.55	5.47
2020 Q3	12.37	15.26	4.71

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 Q3	14.85
2019 Q4	15.01
2020 Q1	16.26
2020 Q2	16.61
2020 Q3	16.67

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