Telecommunications Market Data Update

Q3 2021

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 services generated £1.51bn in revenue in Q3 2021, a fall of £32m (2.1%) compared to the previous quarter and down £220m (12.7%) year-on-year.
- BT's share of these revenues was 49.3%, up 0.9 percentage points compared to Q3 2020.
- Access and add-on call bundle revenues accounted for 89% of fixed voice revenues in Q3 2021.
- The number of UK fixed voice lines (including PSTN lines, ISDN channels and managed VoIP connections) totalled 32.6 million at the end of Q3 2021.
- UK landlines (including managed VoIP connections) generated 9.4 billion minutes of outgoing calls in Q3 2021, down 854 million minutes (8.4%) from Q2 and 2.0 billion minutes (19.4%) compared to Q3 2020.

Fixed broadband services

- There were 27.6 million fixed broadband lines at the end of Q3 2021, an increase of 92k (0.3%) from the previous quarter and 415k (1.5%) year-on-year.
- This growth was driven by 'other inc. FTTx' lines' (predominantly fibre broadband connections), which increased by 415k (2.3%) during the quarter.
- At the end of the quarter there were 18.2 million 'other inc. FTTx' lines, accounting for just under two thirds (66.0%) of all connections.
- The number of cable broadband lines also increased, up by 46k (0.9%), while the number of ADSL lines fell by 369k (8.4%) from Q2 2021.

Mobile services

- Mobile telephony services generated £3.09bn in retail revenues in Q3 2021, an £18m (0.6%) decrease from a year previously.
- Average monthly retail revenue per subscriber was £12.22 in Q3 2021, with post-pay subscribers generating more revenue than pre-pay users (averaging £14.66 compared to £5.23 for pre-pay).
- The number of active mobile subscriptions (excluding M2M) was 84.5 million at the end of Q3 2021, up 0.6 million (0.7%) from the year before.
- Over the same period, the number of dedicated mobile broadband subscriptions increased by 0.4 million (8.2%) to 5.2 million.
- The number of mobile-originated voice call minutes decreased by 1.6 billion (3.3%) to 45.3 billion minutes year-on-year, with calls to landlines decreasing by 6.5% to 9.7 billion minutes.
- The number of mobile messages (including SMS and MMS) saw a year-on-year decline, down 1.3 billion messages (10.8%) to 10.6 billion.
- Data usage continued to rise rapidly, with volumes up 332 PB (28.8%) year-on-year to 1,487 PB.

2. Fixed telecoms market data tables

Q3 2021 (July to September)

Table

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[2]	Virgin Media	Other	BT share[2]
Access & calls[1]					
2019	7,208	3,030	842	3,336	42.0%
2020	7,049	3,411	1,060	2,578	48.4%
2020 Q3	1,730	838	262	630	48.4%
2020 Q4	1,697	839	258	601	49.4%
2021 Q1	1,616	807	253	557	49.9%
2021 Q2	1,542	773	244	525	50.1%
2021 Q3	1,510	745	242	524	49.3%
Access[1]					
2019	5,925	2,294	746	2,885	38.7%
2020	6,137	2,998	960	2,178	48.9%
2020 Q3	1,515	745	238	531	49.2%
2020 Q4	1,487	748	235	504	50.3%
2021 Q1	1,425	728	231	466	51.1%
2021 Q2	1,371	702	227	442	51.2%
2021 Q3	1,344	674	226	444	50.2%
Calls					
2019	1,283	736	95	452	57.4%
2020	912	412	100	400	45.2%
2020 Q3	215	93	24	99	42.9%
2020 Q4	211	91	23	96	43.2%
2021 Q1	191	79	21	91	41.4%
2021 Q2	171	71	17	83	41.2%
2021 Q3	167	70	16	80	42.1%

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]
2019	32,748	13,188	4,802	14,758	40.3%
2020	32,730	13,012	4,624	15,094	39.8%
2020 Q3	32,854	13,113	4,656	15,085	39.9%
2020 Q4	32,730	13,012	4,624	15,094	39.8%
2021 Q1	32,563	12,907	4,617	15,040	39.6%
2021 Q2	32,209	12,736	4,539	14,935	39.5%
2021 Q3	32,628	13,066	4,557	15,005	40.0%

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]
2019	39,259	16,327	4,952	17,980	41.6%
2020	46,725	19,105	5,768	21,852	40.9%
2020 Q3	11,332	4,567	1,359	5,406	40.3%
2020 Q4	12,054	4,673	1,412	5,969	38.8%
2021 Q1	11,654	4,657	1,391	5,606	40.0%
2021 Q2	10,233	3,884	1,114	5,235	38.0%
2021 Q3	9,378	3,679	1,026	4,673	39.2%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2019	1,283	378	96	321	487
2020	912	349	87	323	152
2020 Q3	215	83	20	79	33
2020 Q4	211	79	19	70	42
2021 Q1	191	73	16	62	39
2021 Q2	171	63	15	58	36
2021 Q3	167	60	14	54	38

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					
2019	26,154	11,370	3,735	11,049	43.5%
2020	31,421	14,051	4,129	13,241	44.7%
2020 Q3	7,478	3,299	952	3,227	44.1%
2020 Q4	7,955	3,428	1,011	3,516	43.1%
2021 Q1	7,637	3,398	1,003	3,236	44.5%
2021 Q2	6,427	2,755	791	2,881	42.9%
2021 Q3	5,782	2,562	721	2,499	44.3%
International calls					
2019	1,598	370	114	1,114	23.2%
2020	1,679	333	108	1,238	19.8%
2020 Q3	5,239	1,822	631	2,786	34.8%
2020 Q4	7,199	2,559	831	3,809	35.5%
2021 Q1	5,239	1,822	631	2,786	34.8%
2021 Q2	7,199	2,559	831	3,809	35.5%
2021 Q3	5,239	1,822	631	2,786	34.8%
Calls to mobiles					
2019	5,239	1,822	631	2,786	34.8%
2020	7,199	2,559	831	3,809	35.5%
2020 Q3	1,866	671	207	988	36.0%
2020 Q4	1,957	681	215	1,061	34.8%
2021 Q1	1,913	690	214	1,009	36.1%
2021 Q2	1,806	613	182	1,011	34.0%
2021 Q3	1,658	592	168	898	35.7%
Other calls[1]					
2019	6,267	2,765	472	3,030	44.1%
2020	6,426	2,162	700	3,564	33.6%
2020 Q3	1,600	524	175	901	32.7%
2020 Q4	1,701	485	161	1,055	28.5%
2021 Q1	1,757	495	152	1,110	28.2%
2021 Q2	1,682	451	123	1,108	26.8%
2021 Q3	1,673	469	121	1,083	28.0%

[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]					
2019	5,580	2,163	799	2,618	38.8%
2020	5,414	2,552	1,016	1,846	47.1%
2020 Q3	1,323	625	250	448	47.2%
2020 Q4	1,304	633	247	424	48.6%
2021 Q1	1,250	617	242	390	49.4%
2021 Q2	1,211	603	234	374	49.8%
2021 Q3	1,191	585	233	374	49.1%
Access[2]					
2019	4,759	1,627	721	2,411	34.2%
2020	4,856	2,281	936	1,639	47.0%
2020 Q3	1,196	567	232	397	47.4%
2020 Q4	1,178	575	229	375	48.8%
2021 Q1	1,132	565	226	341	49.9%
2021 Q2	1,112	560	221	331	50.3%
2021 Q3	1,096	544	220	331	49.7%
Calls					
2019	821	536	78	207	65.3%
2020	558	272	80	207	48.7%
2020 Q3	127	57	19	51	45.2%
2020 Q4	126	59	18	49	46.7%
2021 Q1	117	52	16	49	44.3%
2021 Q2	99	43	14	42	43.7%
2021 Q3	96	41	13	42	42.4%

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]
2019	26,286	9,682	4,568	12,036	36.8%
2020	26,424	9,477	4,425	12,521	35.9%
2020 Q3	26,491	9,556	4,452	12,484	36.1%
2020 Q4	26,424	9,477	4,425	12,521	35.9%
2021 Q1	26,433	9,470	4,422	12,541	35.8%
2021 Q2	26,190	9,350	4,350	12,491	35.7%
2021 Q3	26,687	9,753	4,375	12,559	36.5%

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2019	25,795	11,188	4,246	10,361	43.4%
2020	31,534	14,251	4,897	12,386	45.2%
2020 Q3	7,457	3,296	1,137	3,024	44.2%
2020 Q4	7,774	3,456	1,193	3,125	44.5%
2021 Q1	7,862	3,473	1,178	3,211	44.2%
2021 Q2	6,511	2,771	925	2,815	42.6%
2021 Q3	5,798	2,585	855	2,358	44.6%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2019	821	261	53	171	336
2020	558	266	48	155	89
2020 Q3	127	62	11	35	18
2020 Q4	126	59	11	27	28
2021 Q1	117	56	11	24	26
2021 Q2	99	45	9	21	24
2021 Q3	96	42	9	20	24

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					
2019	18,894	8,598	3,375	6,921	45.5%
2020	24,174	11,345	3,766	9,063	46.9%
2020 Q3	5,663	2,600	861	2,202	45.9%
2020 Q4	5,979	2,759	922	2,298	46.1%
2021 Q1	6,054	2,760	920	2,374	45.6%
2021 Q2	4,906	2,147	714	2,045	43.8%
2021 Q3	4,313	1,960	650	1,703	45.4%
International calls					
2019	986	248	105	633	25.2%
2020	941	256	103	582	27.2%
2020 Q3	217	56	24	137	25.7%
2020 Q4	226	63	24	139	27.9%
2021 Q1	220	59	22	139	26.8%
2021 Q2	199	50	18	131	25.2%
2021 Q3	167	43	16	108	25.7%
Calls to mobiles					
2019	2,071	674	369	1,028	32.5%
2020	2,759	1,017	435	1,307	36.9%
2020 Q3	664	241	104	319	36.3%
2020 Q4	710	270	108	332	38.0%
2021 Q1	728	280	106	342	38.4%
2021 Q2	631	238	87	306	37.7%
2021 Q3	590	233	83	274	39.5%
Other calls[1]					
2019	3,844	1,668	397	1,779	43.4%
2020	3,660	1,633	593	1,434	44.6%
2020 Q3	913	399	148	366	43.7%
2020 Q4	858	364	139	355	42.4%
2021 Q1	860	374	130	356	43.5%
2021 Q2	776	336	106	334	43.3%
2021 Q3	728	349	106	273	47.9%

[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]					
2019	1,621	860	43	718	53.1%
2020	1,631	855	44	732	52.4%
2020 Q3	406	212	11	182	52.3%
2020 Q4	393	205	11	177	52.1%
2021 Q1	366	189	10	166	51.6%
2021 Q2	331	169	10	152	51.2%
2021 Q3	319	159	9	150	50.0%
Access[1]					
2019	1,166	667	25	474	57.2%
2020	1,281	718	24	539	56.1%
2020 Q3	318	178	6	134	56.0%
2020 Q4	308	173	6	129	56.1%
2021 Q1	293	163	6	125	55.5%
2021 Q2	259	142	6	111	54.9%
2021 Q3	248	130	5	112	52.5%
Calls					
2019	455	193	18	244	42.4%
2020	350	137	20	193	39.2%
2020 Q3	88	34	5	48	39.0%
2020 Q4	84	31	5	48	37.5%
2021 Q1	73	26	5	42	36.0%
2021 Q2	72	27	4	41	37.7%
2021 Q3	70	29	3	38	41.3%

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]
2019	6,462	3,507	234	2,721	54.3%
2020	6,307	3,535	199	2,573	56.1%
2020 Q3	6,362	3,557	204	2,601	55.9%
2020 Q4	6,307	3,535	199	2,573	56.1%
2021 Q1	6,130	3,437	195	2,498	56.1%
2021 Q2	6,019	3,386	189	2,444	56.3%
2021 Q3	5,941	3,313	182	2,446	55.8%

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]
2019	13,456	5,131	706	7,619	38.1%
2020	15,183	4,846	871	9,466	31.9%
2020 Q3	3,872	1,269	222	2,381	32.8%
2020 Q4	4,278	1,215	219	2,844	28.4%
2021 Q1	3,789	1,182	213	2,394	31.2%
2021 Q2	3,721	1,112	189	2,420	29.9%
2021 Q3	3,580	1,094	171	2,315	30.6%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2019	455	118	43	150	144
2020	350	83	39	168	60
2020 Q3	88	20	10	44	14
2020 Q4	84	19	8	43	14
2021 Q1	73	17	5	38	13
2021 Q2	72	18	5	37	12
2021 Q3	70	18	5	34	14

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					
2019	7,260	2,772	360	4,128	38.2%
2020	7,246	2,706	363	4,177	37.3%
2020 Q3	1,815	699	91	1,025	38.5%
2020 Q4	1,976	669	89	1,218	33.9%
2021 Q1	1,584	638	83	863	40.3%
2021 Q2	1,521	608	77	836	40.0%
2021 Q3	1,469	602	71	796	41.0%
International calls					
2019	612	122	9	481	19.9%
2020	738	77	5	656	10.4%
2020 Q3	171	17	1	153	10.0%
2020 Q4	215	16	1	198	7.4%
2021 Q1	127	15	0	112	11.8%
2021 Q2	120	15	0	105	12.5%
2021 Q3	99	13	0	86	13.1%
Calls to mobiles					
2019	3,168	1,148	262	1,758	36.2%
2020	4,440	1,542	396	2,502	34.7%
2020 Q3	1,201	430	103	668	35.8%
2020 Q4	1,247	411	107	729	33.0%
2021 Q1	1,185	410	108	667	34.6%
2021 Q2	1,175	375	95	705	31.9%
2021 Q3	1,068	359	85	624	33.6%
Other calls[1]					
2019	2,415	1,089	75	1,251	45.1%
2020	2,759	521	107	2,131	18.9%
2020 Q3	686	123	27	536	17.9%
2020 Q4	840	119	22	699	14.2%
2021 Q1	894	119	22	753	13.3%
2021 Q2	905	114	17	774	12.6%
2021 Q3	945	120	15	810	12.7%

[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]
2019	26,892	7,362	5,080	14,450	33.9%
2020	27,362	5,252	5,268	16,842	33.6%
2020 Q3	27,220	5,709	5,215	16,296	33.6%
2020 Q4	27,362	5,252	5,268	16,842	33.6%
2021 Q1	27,449	4,688	5,293	17,468	33.6%
2021 Q2	27,542	4,374	5,335	17,833	33.7%
2021 Q3	27,635	4,006	5,381	18,248	33.7%

[1] Includes EE from 2017 Q4.

3. Mobile telecoms market data tables

Q3 2021 (July to September)

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
2019	13,428	10,456	167	205	213	273	213	568	1,334
2020	12,514	10,176	105	109	148	188	111	496	1,179
2020 Q3	3,104	2,523	24	20	33	41	23	116	325
2020 Q4	3,090	2,533	20	20	30	37	23	124	303
2021 Q1	3,034	2,513	17	16	25	37	22	107	296
2021 Q2	3059	2539	17	16	23	35	20	107	302
2021 Q3	3087	2542	17	16	22	34	25	107	323

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 messag es	Data
2019	161.11	33.91	47.98	67.55	3.47	2.87	5.32	65.04	3,291.35
2020	189.66	41.62	54.61	82.36	3.06	1.75	6.27	48.68	4,440.30
2020 Q3	46.92	10.38	13.44	20.24	0.71	0.55	1.62	11.85	1155.19
2020 Q4	48.26	10.58	13.97	21.11	0.68	0.36	1.56	11.17	1228.91
2021 Q1	48.47	10.54	13.89	21.6	0.63	0.32	1.5	9.64	1280.77
2021 Q2	46.23	9.82	13.49	20.53	0.59	0.3	1.5	10.17	1402.18
2021 Q3	45.35	9.7	13.18	19.93	0.54	0.51	1.5	10.57	1487.4

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
2019	84.34	59.73	24.62	0.95	71.00%	4.5
2020	83.8	61.59	22.21	-0.54	73.00%	4.79
2020 Q3	83.85	61.1	22.75	0.74	72.90%	4.8
2020 Q4	83.8	61.59	22.21	-0.05	73.50%	4.79
2021 Q1	83.3	61.83	21.47	-0.5	74.20%	4.77
2021 Q2	83.89	62.12	21.77	0.59	74.00%	5.12
2021 Q3	84.47	62.78	21.69	0.59	74.30%	5.19

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
2019	13.36	17.03	4.96
2020	12.47	15.39	4.8
2020 Q3	12.4	15.27	4.71
2020 Q4	12.29	15.05	4.76
2021 Q1	12.1	14.64	4.92
2021 Q2	12.2	14.64	5.19
2021 Q3	12.22	14.66	5.23

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
2019	60.29
2020	65.8
2020 Q3	16.67
2020 Q4	16.26
2021 Q1	17.63
2021 Q2	16.1
2021 Q3	14.36

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