Telecommunications Market Data Update

Q4 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 service revenues totaled £1.5bn in Q4 2021; a decrease of £42m (2.8%) from the previous quarter and £230m (13.5%) year-on-year. BT's share of these revenues was 49.6%.
- Access and add-on call bundle revenues accounted for 89.2% of total fixed voice revenues in Q4 2021, a 1.6 percentage point increase from the same period a year ago.
- The number of fixed exchange lines (including PSTN, ISDN and managed VoIP connections) fell by 538k (1.6%) during the year to 32.1 million at the end of 2021.
- Fixed-originated call volumes fell by just under 3 billion million minutes (24.7%) from Q4 2020, largely due to the increase in call volumes during the early stages of the Covid-19 pandemic. Total call volumes for the year were 14% (6.4 billion minutes) lower than in 2020, at 40.3 billion minutes.

Fixed broadband services

- There were 27.7 million fixed broadband lines at the end of Q4 2021, an increase of 105k (0.4%) from the previous quarter and 387k (1.4%) from Q4 2020.
- The number of ADSL lines fell by 266k (6.6%) during the quarter, while the number of cable broadband lines decreased by 26k (0.5%) and the number of 'Other inc. FTTx' lines (predominantly fibre broadband connections) increased by 397k (2.2%).
- There were 18.6 million 'Other inc. FTTx' broadband lines at the end of Q4 2021, accounting for 67.2% of all UK fixed broadband connections.

Mobile services

- Mobile telephony services generated £3.1bn in retail revenues in Q4 2021, a £13m (0.4%) increase from a year previously.
- Average monthly retail revenue per subscriber was £12.29 in Q4 2021, with post-pay subscribers generating more revenue than pre-pay users (averaging £14.75 compared to £5.22 for pre-pay).
- The number of active mobile subscriptions (excluding M2M) was 85.0 million at the end of Q4 2021, up 1.2 million (1.4%) from the year before.
- Over the same period, the number of dedicated mobile broadband subscriptions increased by 0.4 million (9.2%) to 5.2 million.
- The number of mobile-originated voice call minutes decreased by 1.8 billion (3.8%) to 46.5 billion minutes year-on-year, with calls to landlines decreasing by 6.8% to 9.9 billion minutes.
- The number of mobile messages (including SMS and MMS) saw a year-on-year decline, down 0.7 billion messages (6.2%) to 10.5 billion.
- Data usage continued to rise rapidly, with volumes up 318 PB (25.9%) year-on-year to 1,547 PB.

2. Fixed telecoms market data tables

Q4 2021 (October to December)

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]					
2020	7,049	3,411	1,060	2,578	48.4%
2021	6,136	3,051	980	2,105	49.7%
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	523	49.3%
2021 Q4	1,468	727	241	499	49.6%
Access[1]					
2020	6,137	2,998	960	2,178	48.9%
2021	5,449	2,765	910	1,774	50.8%
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	1,343	674	226	443	50.2%
2021 Q4	1,309	661	226	423	50.5%
Calls					
2020	912	412	100	400	45.2%
2021	687	286	70	331	41.7%
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%
2021 Q4	158	66	15	77	42.0%

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]
2020	32,730	13,012	4,624	15,094	39.8%
2021	32,192	13,125	4,555	14,512	40.8%
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%
2021 Q4	32,192	13,125	4,555	14,512	40.8%

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]
2020	46,725	19,105	5,768	21,852	40.9%
2021	40,340	15,782	4,526	20,032	39.1%
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%
2021 Q4	9,075	3,562	995	4,518	39.3%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2020	912	349	87	323	152
2021	687	254	59	224	150
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
2021 Q4	158	57	14	50	37

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					
2020	31,421	14,051	4,129	13,241	44.7%
2021	25,509	11,224	3,223	11,062	44.0%
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%
2021 Q4	5,664	2,509	708	2,447	44.3%
International calls					
2020	1,679	333	108	1,238	19.8%
2021	1,204	251	71	882	20.8%
2020 Q4	441	79	25	337	17.9%
2021 Q1	347	74	22	251	21.3%
2021 Q2	319	65	18	236	20.4%
2021 Q3	265	56	16	193	21.1%
2021 Q4	273	56	15	202	20.5%
Calls to mobiles					
2020	7,199	2,559	831	3,809	35.5%
2021	6,954	2,460	723	3,771	35.4%
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	1,657	592	168	897	35.7%
2021 Q4	1,579	565	159	855	35.8%
Other calls[1]					
2020	6,426	2,162	700	3,564	33.6%
2021	6,672	1,847	509	4,316	27.7%
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	1,675	469	121	1,085	28.0%
2021 Q4	1,559	432	113	1,014	27.7%

[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]					
2020	5,414	2,552	1,016	1,846	47.1%
2021	4,817	2,381	942	1,494	49.4%
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	373	49.1%
2021 Q4	1,166	576	233	357	49.4%
Access[2]					
2020	4,856	2,281	936	1,639	47.0%
2021	4,413	2,206	887	1,319	50.0%
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	1,095	544	220	331	49.7%
2021 Q4	1,073	537	220	316	50.0%
Calls					
2020	558	272	80	207	48.7%
2021	405	175	55	175	43.2%
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%
2021 Q4	93	39	12	41	42.2%

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]
2020	26,424	9,477	4,425	12,521	35.9%
2021	26,480	9,878	4,379	12,223	37.3%
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%
2021 Q4	26,480	9,878	4,379	12,223	37.3%

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2020	31,534	14,251	4,897	12,386	45.2%
2021	25,883	11,373	3,794	10,716	43.9%
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%
2021 Q4	5,712	2,544	836	2,332	44.5%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2020	558	266	48	155	89
2021	405	184	38	85	98
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
2021 Q4	93	41	9	19	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					
2020	24,174	11,345	3,766	9,063	46.9%
2021	19,554	8,812	2,923	7,819	45.1%
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%
2021 Q4	4,282	1,945	639	1,698	45.4%
International calls					
2020	941	256	103	582	27.2%
2021	748	195	71	482	26.1%
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%
2022 Q2	163	43	15	105	26.4%
Calls to mobiles					
2020	2,759	1,017	435	1,307	36.9%
2021	2,538	986	358	1,194	38.8%
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%
2021 Q4	589	235	82	272	39.9%
Other calls[1]					
2020	3,660	1,633	593	1,434	44.6%
2021	3,043	1,380	442	1,221	45.4%
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%
2021 Q4	679	321	100	258	47.3%

[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]					
2020	1,631	855	44	732	52.4%
2021	1,316	668	38	611	50.8%
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	318	159	9	150	50.0%
2021 Q4	301	151	8	142	50.0%
Access[1]					
2020	1,281	718	24	539	56.1%
2021	1,036	559	22	455	53.9%
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%
2021 Q4	236	124	5	107	52.4%
Calls					
2020	350	137	20	193	39.2%
2021	280	109	15	156	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%
2021 Q4	65	27	3	35	41.2%

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

	All Operators	BT[2]	Virgin Media	Other	BT share[2]
2020	6,307	3,535	199	2,573	56.1%
2021	5,712	3,247	176	2,289	56.8%
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%
2021 Q4	5,712	3,247	176	2,289	56.8%

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]
2020	15,183	4,846	871	9,466	31.9%
2021	14,453	4,405	732	9,316	30.5%
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%
2021 Q4	3,362	1,017	159	2,186	30.2%

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

	All calls	UK geographic calls	International calls	Calls to mobiles	Other calls[1]
2020	350	83	39	168	60
2021	280	69	21	140	51
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
2021 Q4	65	16	5	31	13

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					
2020	7,246	2,706	363	4,177	37.3%
2021	5,956	2,412	300	3,244	40.5%
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%
2021 Q4	1,383	564	69	750	40.8%
International calls					
2020	738	77	5	656	10.4%
2021	456	56	0	400	12.3%
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	98	13	0	85	13.3%
2021 Q4	111	13	0	98	11.8%
Calls to mobiles					
2020	4,440	1,542	396	2,502	34.7%
2021	4,416	1,474	365	2,577	33.4%
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	1,067	359	85	623	33.7%
2021 Q4	990	330	77	583	33.3%
Other calls[1]					
2020	2,759	521	107	2,131	18.9%
2021	3,625	463	67	3,095	12.8%
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	947	120	15	812	12.7%
2021 Q4	878	110	13	755	12.5%

[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]
2020	27,352	5,252	5,268	16,832	33.6%
2021	27,738	3,739	5,355	18,644	33.6%
2020 Q4	27,352	5,252	5,268	16,832	33.6%
2021 Q1	27,442	4,688	5,293	17,461	33.6%
2021 Q2	27,541	4,374	5,335	17,832	33.7%
2021 Q3	27,633	4,006	5,381	18,247	33.7%
2021 Q4	27,738	3,739	5,355	18,644	33.6%

[1] Includes EE from 2017 Q4.

3. Mobile telecoms market data tables

Q4 2021 (October to December)

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
2020	12,514	10,176	105	109	148	188	111	496	1,179
2021	12,283	10,142	67	65	90	140	95	440	1,244
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
2021 Q4	3103	2547	16	16	20	34	28	119	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
2020	189.66	41.61	54.6	82.36	3.06	1.75	6.28	48.68	4,440.47
2021	186.5	39.91	54.19	82.59	2.27	1.52	6.03	40.86	5,717.63
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
2021 Q4	46.45	9.85	13.63	20.53	0.52	0.39	1.53	10.48	1547.27

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
2020	83.8	61.59	22.21	-1.4	73.00%	4.79
2021	85.01	63.54	21.47	1.21	75.00%	5.24
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
2021 Q4	85.01	63.54	21.47	0.54	74.70%	5.24

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
2020	12.42	15.48	4.67
2021	12.22	14.74	5.1
2020 Q4	12.34	15.17	4.72
2021 Q1	12.06	14.73	4.78
2021 Q2	12.2	14.71	5.14
2021 Q3	12.31	14.77	5.26
2021 Q4	12.29	14.75	5.22

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
2020	65.8
2021	62.33
2020 Q4	16.26
2021 Q1	17.63
2021 Q2	16.1
2021 Q3	14.36
2021 Q4	14.24

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