**Office of Utilities Regulation**

Telecommunications Market Information Report

October - December 2018

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**NOTICE:**

**The OUR has standardized the definition for “active subscription” in order to ensure consistency in the reporting of subscription data by all licensees. This standardization may have an impact on subscription data trends depending on the internal reporting standards employed by individual licensees which was previously used as the basis for reporting subscription data to the OUR. The standardized definition of “active subscription” can be found in the appendix.**

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# **Fixed Market Data[[1]](#footnote-1)**

## **Figure 1: Fixed Services Subscriptions**

**% Change: Q4 ‘18/ Q3 ‘18**

Total Subscriptions: - 0.06%

Residential: 0.34%

Business: -1.66%

## **Figure 2: Fixed Call Minutes**

**% change: Q4 ‘18/Q3 ‘18**

Fixed to Fixed: - 9.76 %

Fixed to Mobile: - 6.36 %

Total International: - 12.88%

Int’l - Outgoing: - 8.23%

Int’l - Incoming: - 14.85%

## **Figure 3: Fixed Call Revenue Distribution**

**% change Q4 ‘18/ Q3 ‘18**

Fixed to Fixed: 3.81%

Fixed to Mobile: - 9.80%

Total International: - 1.82%

Int’l - Outgoing: - 13.18%

Int’l - Incoming: 1.41%

## **Figure 4: Fixed Services Average Revenue per User (ARPU)**

**% Change: Q4 ‘18/ Q3 ‘18**

Fixed to Fixed: 3.87%

Fixed to Mobile: - 9.75%

Int’l - Outgoing: -13.13%

Int’l - Incoming: 1.47%

# **Mobile Market Data**

## **Figure 5: Mobile Services Subscriptions**

**% Change: Q4 ‘18/ Q3 ‘18**

Total Subscriptions: - 6.87%

Postpaid: 0.21%

Prepaid: - 7.35%

## **Figure 6: Mobile Minutes**

**% Change: Q4 ‘18/ Q3 ‘18**

Calls to fixed services: 2.19%

On-Net Calls: 8.84%

Off-Net Calls: 4.18%

Int’l Calls: - 8.00%

Int’l Calls – Outgoing: - 8.02%

Int’l Calls – Incoming: -7.90%

SMS & other Mobile Data Traffic: - 1.15%

## **Figure 7: Mobile Services Revenue Distribution**

**% Change: Q4 ‘18/ Q3 ‘18**

Calls to Fixed services: 17.87%

On-Net Calls: 9.17%

Off-Net Calls: 17.49%

Int’l Calls – Outgoing: 23.65%

Int’l Calls – Incoming: -15.57%

SMS & other Mobile Data Traffic: -9.20%

## **Figure 8: Mobile Services Average Revenue per User (ARPU)**

**% Change Q4 ‘18/ Q3 ‘18**

Calls to fixed service: 26.56%

On-Net Calls: 17.23%

Off-Net Calls: 26.16%

Int’l Calls – Outgoing: 32.77%

Int’l Calls – Incoming: - 9.34%

SMS & other Mobile Data Traffic: -2.50%

# **Internet Market Data**

## **Figure 9: Internet Services Subscriptions**

**% Change Q4 ‘18/ Q3 ‘18**

Total Subscriptions: -7.00%

Fixed Broadband (≥ 256k): 1.96%

WAP & Mobile Internet: -8.25%

# **Industry Penetration and Concentration**

## **Penetration Rate[[2]](#footnote-2)**

|  |  |  |  |
| --- | --- | --- | --- |
| Penetration Rate | Q4 2017 | Q3 2018 | Q4 2018 |
| Fixed Subscription Penetration Rate | 10.9% | 13.3% | 13.3% |
| Mobile Subscription Penetration Rate | 113.5% | 116.7% | 108.6% |
| Fixed Broadband Subscription Penetration Rate | 7.3% | 10.2% | 10.4% |
| Mobile Broadband Subscription Penetration Rate | 51.8% | 60.2% | 55% |
| Total Broadband Subscription Penetration Rate | 59.2% | 70.4% | 65.4% |

## **Concentration Ratio (Herfindahl-Hirschman Index)[[3]](#footnote-3)**

|  |  |  |  |
| --- | --- | --- | --- |
| Herfindahl-Hirschman Index (HHI) | Q4 2017 | Q3 2018 | Q4 2018 |
| Fixed HHI | 6,262 | 4,832 | 4,774 |
| Mobile HHI | 5,606 | 5,735 | 5,529 |
| Fixed Broadband HHI | 5,021 | 3,626 | 3,614 |
| Mobile Broadband HHI | 5,736 | 6,226 | 5,673 |

# **Appendix**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Fixed Market | Q4 2017 | Q3 2018 | Q4 2018 | % Change  Q4 ‘18/Q3 ’18 | % Change  Q4 ‘18/Q4 ‘17 |
| Total Subscriptions (‘000) | 297.03 | 364.03 | 363.82 | - 0.06 | 22.49 |
| Fixed to Fixed (‘000 minutes) | 96,433.76 | 77,532.74 | 69,964.69 | -9.76 | -27.45 |
| Fixed to Mobile Calls (‘000 minutes) | 82,027.85 | 80,135.21 | 75,034.72 | -6.36 | - 8.53 |
| Total International Calls (‘000 minutes) | 41,527.17 | 21,513.74 | 18,743.23 | -12.88 | -54.87 |
| Outgoing International Calls (‘000 minutes) | 10,117.70 | 6,419.74 | 5,891.30 | -8.23 | -41.77 |
| Incoming International Calls (‘000 minutes) | 31,409.47 | 15,094.00 | 12,851.93 | -14.85 | -59.08 |
| Total Revenue (J$’ million) | 2,285.98 | 2,062.41 | 2,094.71 | 1.57 | - 8.37 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Mobile Market | Q4 2017 | Q3 2018 | Q4 2018 | % Change  Q4 ‘18/Q4 ’18 | % Change  Q4 ‘18/Q4 ‘17 |
| Total Subscriptions (‘000) | 3,091.22 | 3,183.74 | 2,964.97 | -6.87 | -4.08 |
| On-Net Calls (‘000 minutes) | 692,081.79 | 840,355.34 | 914,632.71 | 8.84 | 32.16 |
| Off-Net Calls (‘000 minutes) | 478,843.71 | 393,768.45 | 410,231.22 | 4.18 | -14.33 |
| International calls | 300,925.95 | 253,433.03 | 233,155.92 | -8.00 | -22.52 |
| Outgoing International (‘000 minutes) | 237,743.37 | 206,282.67 | 189,730.02 | -8.02 | -20.20 |
| Incoming International (‘000 minutes) | 63,182.58 | 47,150.36 | 43,425.90 | -7.90 | -31.27 |
| SMS and other mobile data traffic | 209,736.28 | 122,168.88 | 120,759.14 | -1.15 | -42.42 |
| Total Revenue (J$ ‘ million) | 13,089.75 | 11,640.15 | 12,237.22 | 5.13 | -6.51 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Internet Market | Q4 2017 | Q3 2018 | Q4 2018 | % Change  Q4 ‘18/Q3 ’18 | % Change  Q4 ‘18/Q4 ‘17 |
| Total Subscriptions (‘000) | 1,613.13 | 1,921.60 | 1,787.07 | -7.00 | 10.78 |
| Fixed Broadband (≥256K) | 200.91 | 279.28 | 284.76 | 1.96 | 41.73 |
| WAP & Mobile Internet | 1,412.22 | 1,642.31 | 1,502.31 | -8.52 | 6.38 |
| Total Revenue (J$’ million) | 5,986.83 | 6,725.66 | 7,042.99 | 4.72 | 17.64 |

|  |  |  |  |
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| Fixed Broadband Subscription Penetration Rate | 7.3% | 10.2% | 10.4% |
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| Fixed Broadband HHI | 5,021 | 3,626 | 3,614 |
| Mobile Broadband HHI | 5,736 | 6,226 | 5,673 |

**Active Subscription Definition[[4]](#footnote-4)**

An “active subscription” is a postpaid or active prepaid subscription. An active prepaid subscription is one which has been used in the last ninety (90) days for an activity such as:

•             Sending/Receiving Voice/Video Calls;

•             Sending/Receiving Short Messaging Service (SMS) or Multimedia Messaging Service (MMS);

•             Utilizing a Premium Rate Service;

•             Data transfer, including Internet access.

1. Fixed data trends may have also been impacted by the fact that the OUR is now receiving fixed services data from an additional licensee. [↑](#footnote-ref-1)
2. Calculated using population year end 2017 data from the Statistical Institute of Jamaica: 2,728,864.

   [↑](#footnote-ref-2)
3. Calculated using subscription data. [↑](#footnote-ref-3)
4. Adapted from the International Telecommunication Union’s *Handbook for the Collection of Administrative Data on Telecommunications/ICT*. [↑](#footnote-ref-4)