

Isle of Man Communications Commission

Market Statistics Report

Q1 2017

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All of the licenced operators are thanked for their assistance in compilation of the statistics used to produce this report.

BROADBAND

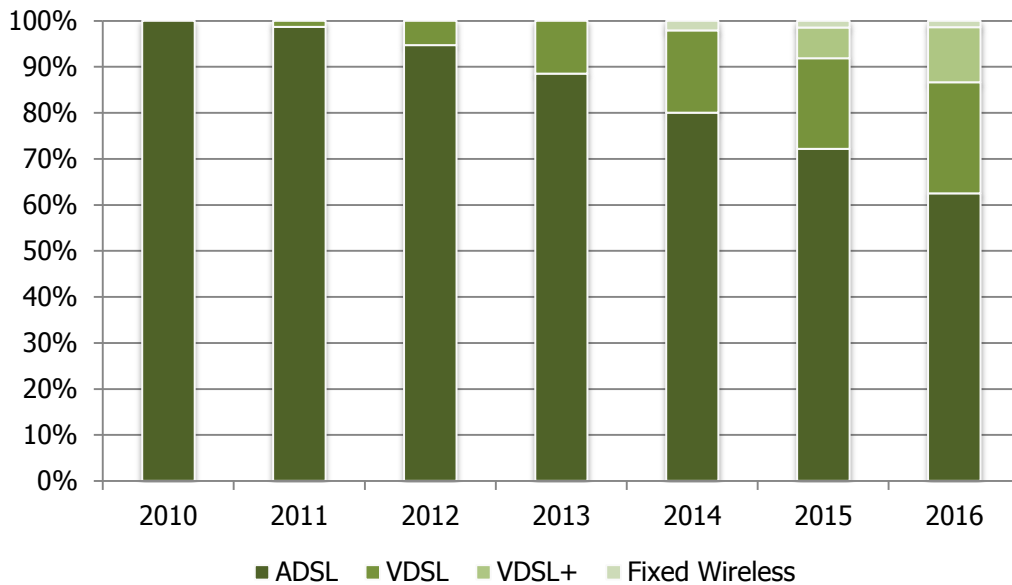
ADSL (up to 16Mbps) is available to 100% of the Island where a fixed line exists, VDSL (up to 40 Mbps) is available to 91% and VDSL+ (up to 80Mbps) is available to 73%. There are around 100 fibre to the cabinet or fibre to the basement nodes situated around the Island.¹

The charts below show broadband subscriptions by product, by year and by quarter. The trend is clear in that subscribers are moving away from ADSL towards faster products such as VDSL and VDSL+.

This trend is to be expected as we begin to carry out more functions online, meaning we require and expect a higher quality and higher speed broadband service. Many of us now consider broadband to be a necessity and no longer a luxury.

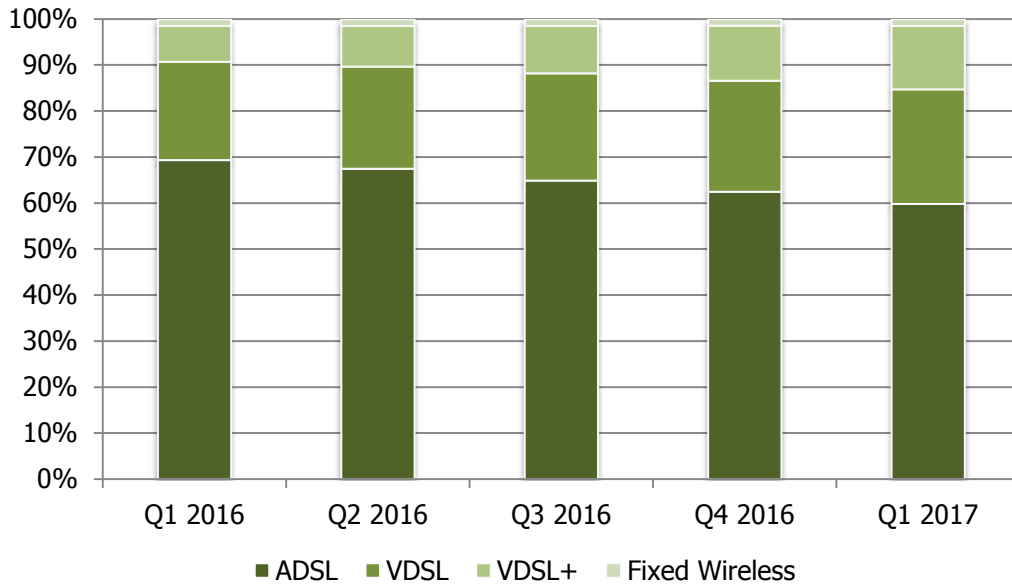
Note that we only began collecting product subscriptions on a quarterly basis from Q1 2016.

Broadband Subscriptions by Product, By Year



¹ Information supplied by Manx Telecom October 2016

Broadband Subscriptions by Product, By Quarter



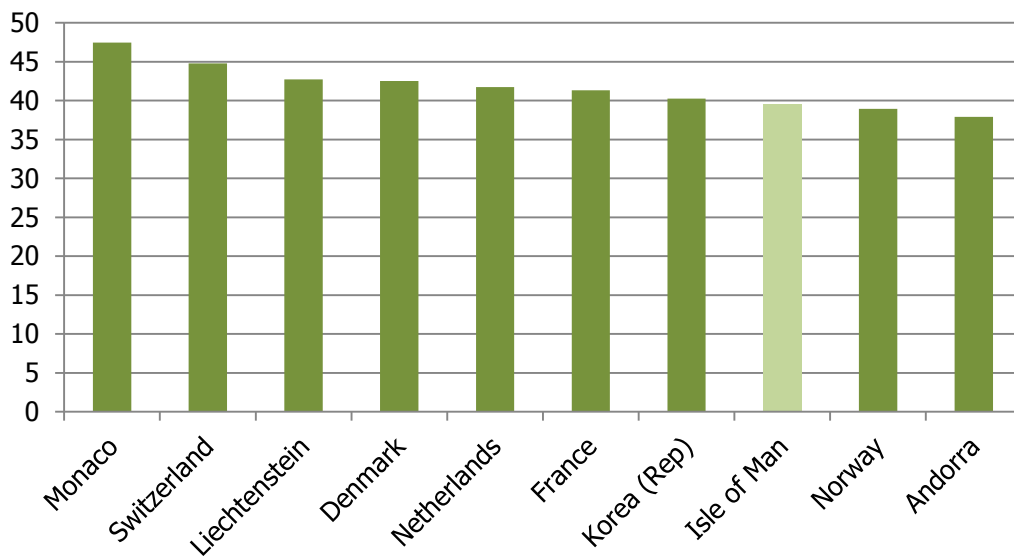
The 2016 Census indicated that there were 35,763 households in the Isle of Man in April 2016. There were 34,100 subscriptions in Q1 2017. Whilst this will include some subscriptions for business use, it provides for an approximate household broadband penetration rate of 95%.

The International Telecommunications Union (ITU) produces a State of Broadband report each year. The 2016 report² contains a league table displaying the number of fixed broadband subscriptions per Economy, per 100 inhabitants (page 90). Note that the data in this report refers to 2015.

Monaco	47.47
Switzerland	44.79
Liechtenstein	42.71
Denmark	42.51
Netherlands	41.73
France	41.34
Korea (Rep)	40.25
Isle of Man	39.61
Norway	38.94
Andorra	37.92

Whilst the Isle of Man is not included in these statistics, we know from our own data collections that there were 39.61 broadband subscriptions per 100 residents in 2015, placing the Isle of Man in the top 10, in 8th position.

2015 Broadband Subscriptions Per 100 Inhabitants - Top 10



² <http://broadbandcommission.org/Documents/reports/bb-annualreport2016.pdf>

FIXED LINE

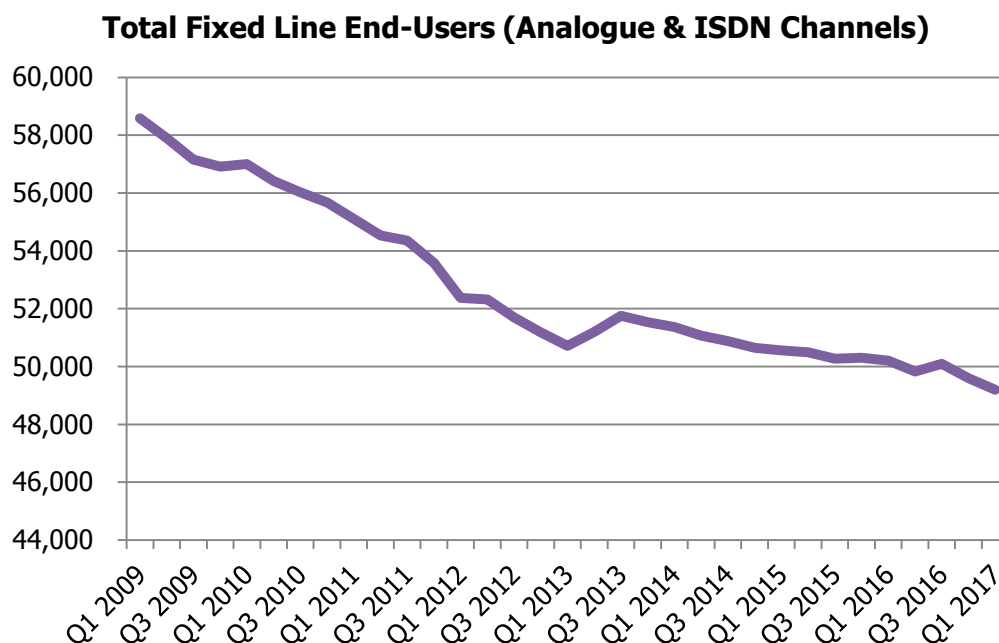
In 2015 Wholesale Line Rental was introduced, which allowed other operators to offer their own landline services, meaning consumers now have a choice of provider.

Consumer habits around how we use voice services, such as the fixed line (landlines) have changed dramatically in recent years. Across the world there is a tendency for consumers and business to move away from using fixed landlines for voice calls, towards mobile phone or internet use.

Text messaging and email or instant messenger are now popular choices for many phone users, sometimes preferable to making an actual phone call.

There are now services which are termed "over the top" services which allow you to make and receive voice calls over the internet, such as WhatsApp, Skype and various messenger applications such as Facebook Messenger.

All of these factors have led to the fixed voice market declining. As mentioned above, this fact is common around the world and not only to the Isle of Man. The fixed line subscriber numbers show this fact clearly over the last few years. The figures in the graph below include all retailers.



The 2016 Census indicated that there were 35,763 households in the Isle of Man in April 2016. There were 49,200 fixed line subscriptions in Q1 2017, though this will include fixed lines for business use.

MOBILE

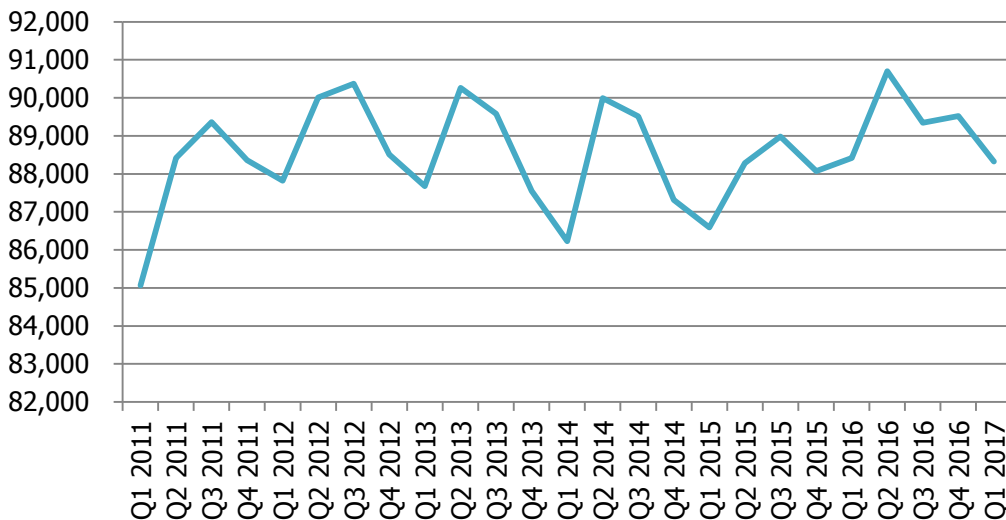
4G high speed mobile broadband is available to 99% of the Isle of Man population. There are two separate mobile networks across the Island.

The Isle of Man mobile market (post-paid and pre-paid/PAYG users) trends are more cyclical than perhaps we would expect elsewhere.

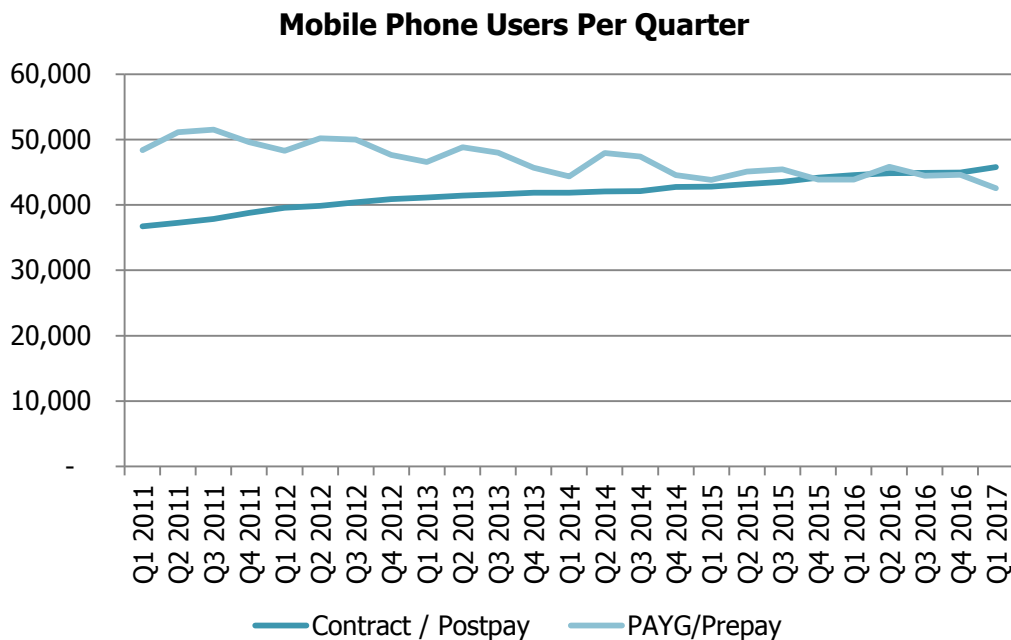
Each year we experience a huge influx of visitors over the TT period and this can clearly be shown below as mobile numbers spike around Q2 and Q3 and steadily drop again towards Q1 and Q4. It is likely that visitors purchasing pre-paid SIM cards to use on a temporary basis account for a large proportion of these shifts.

Whilst the UK is (currently) part of the EU it is benefitting from the heavily regulated roaming charges, resulting in many UK operators introducing deals for very low or no roaming charges whilst travelling throughout the EU. Some of these operators have included the Isle of Man in these roaming bundles, meaning that for some it is cheaper to use their UK and EU SIM cards when visiting the Isle of Man, which is positive. The figures below, exclude inbound roamers.

Total Market Mobile Users Per Quarter



This second graph displays mobile phone users according to whether the SIM is pay as you go (PAYG) or part of a post-paid contract. It is clear that the contract subscriptions are much steadier than the PAYG SIM cards and growing in popularity.



The 2016 Census indicated that there were 83,314 residents in the Isle of Man in April 2016. The latest mobile phone subscription figures show that there were a total of 88,327 subscriptions in Q1 2017.

For every 100 Isle of Man residents, there are around 106 mobile phone subscriptions. Some residents may have more than one mobile phone and others may not have any. Some pre-paid SIMs will be utilised by visitors as previously mentioned.

In Q1 2017 operators reported to the Commission that they were offering a combined total of 138 Wi-Fi hotspots across the Island. This figure includes hotspots offered around Isle of Man Government locations. However, it excludes Wi-Fi offered individually by cafes, bars and restaurants for example, as it is not possible to capture these.

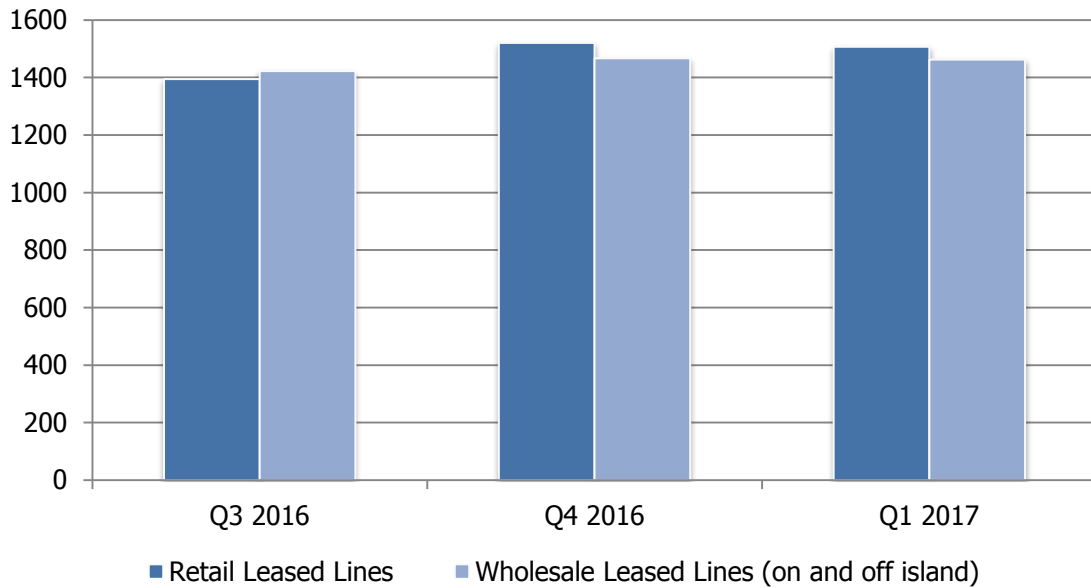
LEASED LINES

Leased lines are dedicated capacity, used for business connectivity.

In Q3 2016 the Commission began collecting leased line data from all licenced operators. The figures contained below are aggregates.

In terms of the definitions of retail and wholesale, we have used the definition used in all telecommunications markets. Retail leased lines are those sold to an end user and wholesale leased lines are those sold to another licenced operator.

Leased Lines by Retail and Wholesale



Megaline and Ethernet leased lines provide various bandwidth products up to 10Gbps. A wavelength is a very high bandwidth leased line.

Leased Lines by Specification

